

Report on the

REAL ESTATE APPRAISERS BOARD

Montgomery, Alabama



Department of Examiners of Public Accounts

**50 North Ripley Street, Room 3201
P.O. Box 302251
Montgomery, Alabama 36130-2251**



Ronald L. Jones
Chief Examiner

Mailing Address:
P.O. Box 302251
Montgomery, AL 36130-2251

State of Alabama
Department of
Examiners of Public Accounts

Telephone (334) 242-9200
FAX (334) 242-1775

Location:
Gordon Persons Building
50 North Ripley Street, Room 3201
Montgomery, AL 36104-3833

September 19, 2007

Senator Larry Dixon
Chairman, Sunset Committee
Alabama State House
Montgomery, AL 36130

Dear Senator Dixon:

This report was prepared to provide information for use by the Sunset Committee in conducting its review and evaluation of the operations of the Real Estate Appraisers Board in accordance with the *Code of Alabama 1975*, Section 41-20-9.

The report contains unaudited information obtained from the management, staff, and records of the Real Estate Appraisers Board in addition to information obtained from other sources.

Please contact me if you have any questions concerning this report.

Sincerely,

Ronald L. Jones
Chief Examiner

Examiner:
Leah Veach

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PROFILE

Purpose/Authority

The Alabama Real Estate Appraisers Board was created by *Acts of Alabama*, Act 90-693, to comply with requirements of Public Law No. 101-73, known as the Financial Institutions Reform Recovery and Enforcement Act (FIRREA) of 1989. The United States Congress, in response to a savings and loan crisis, passed Public Law No. 101-73 to protect federal financial and public policy interests in real estate-related transactions by ensuring that appraisals of real estate are fair, equitable, and in compliance with the requirements of FIRREA and the Uniform Standards of Professional Appraisal Practice (USPAP).

FIRREA requires each state to create its own real estate appraiser licensing program, which must meet criteria established by the Appraiser Qualifications Board (AQB) and the Appraisal Standards Board (ASB) of the Appraisal Foundation. The Appraisal Foundation is a not-for-profit educational organization authorized by the U. S. Congress as the source of appraisal standards and appraiser qualifications. The practices, procedures, activities, and organizational structure of the Appraisal Foundation are under the monitoring and review of the Appraisal Subcommittee (Congressional) established under the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3301 et seq.). Federal law requires that appraisals associated with federally insured loans can be made only by appraisers licensed under a state program that meets federal requirements.

The Alabama Real Estate Appraisers Board operates under the authority of the *Code of Alabama 1975*, Sections 34-27A-1 through 34-27A-29.

Board Characteristics

Members	9 <i>Code of Alabama 1975</i> , Section 34-27A-4
Term	3 years staggered, upon expiration of their terms, members continue to serve until successors are appointed, qualified, and confirmed by the Senate. No more than two consecutive terms may be served. <i>Code of Alabama 1975</i> , Section 34-27A-4
Selection	Appointed by the Governor, confirmed by the Senate <i>Code of Alabama 1975</i> , Section 34-27A-4
Qualifications	7 members must be real estate appraisers and 2 members must be “qualified individuals from the general public”. <i>Code of Alabama 1975</i> , Section 34-27A-4

Racial Representation	2 members must be of a minority race. 2 Black members are currently serving on the board. <i>Code of Alabama 1975</i> , Section 34-27A-4
Geographical Representation	1 appraiser member must be appointed from each of the (7) United States Congressional Districts in the state. <i>Code of Alabama 1975</i> , Section 34-27A-4
Consumer Representation	2 must be members from the general public. <i>Code of Alabama 1975</i> , Section 34-27A-4
Other Representation	The overall membership of the board shall be inclusive and reflect the racial, gender, geographic, urban/rural, and economic diversity of the state. <i>Code of Alabama 1975</i> , Section 34-27A-4
Compensation	\$300 per month (maximum currently allowed by statute), plus per diem allowance on board meeting days as authorized by the board, not to exceed the current per diem allowance for state employees. <i>Code of Alabama 1975</i> , Section 34-27A-4

Operations

Administrator	Lisa Brooks, Executive Director Appointed by the board Current salary \$58,372.80 Salary is set by the board and approved by the State Personnel Board <i>Code of Alabama 1975</i> , Section 34-27A-5												
Location	RSA-Union, Suite 370 100 N. Union Street Montgomery, AL 36130												
Type of License	<p>Licenses issued as of March 31, 2007:</p> <table> <tr> <td>Certified General Real Property Appraiser</td> <td>505</td> </tr> <tr> <td>Certified Residential Real Property Appraiser</td> <td>639</td> </tr> <tr> <td>Licensed Real Property Appraiser</td> <td>166</td> </tr> <tr> <td>State Registered Real Property Appraiser</td> <td>30</td> </tr> <tr> <td>Trainee Real Property Appraiser</td> <td>356</td> </tr> <tr> <td>Total Licensees</td> <td>1,696</td> </tr> </table> <p>Requirements for licensure for each of the five license types are set out in the <i>Code of Alabama 1975</i>, Section 34-27A-9.</p>	Certified General Real Property Appraiser	505	Certified Residential Real Property Appraiser	639	Licensed Real Property Appraiser	166	State Registered Real Property Appraiser	30	Trainee Real Property Appraiser	356	Total Licensees	1,696
Certified General Real Property Appraiser	505												
Certified Residential Real Property Appraiser	639												
Licensed Real Property Appraiser	166												
State Registered Real Property Appraiser	30												
Trainee Real Property Appraiser	356												
Total Licensees	1,696												

Renewal	Annual (September 30). On-line renewal is available on the board's website. <i>Code of Alabama 1975</i> , Sections 34-27A-13 and 34-27A-15
Examinations	<p>The board contracts with a professional testing service (Applied Measurement Professionals, Lenexa, KS) to administer and grade a practical examination for the Licensed Real Property Appraiser, Certified General Real Property Appraiser, and the Certified Residential Real Property Appraiser. Applicants pay the testing service directly. The contract expires 9/30/07.</p> <p>There is no written examination for State Registered Real Property Appraisers. Applicants are graded on examples of work submitted.</p> <p><i>Code of Alabama 1975</i>, Section 34-27A-10</p>
Continuing Education	<p>All classes of Alabama licensed real property appraisers must complete the equivalent of 28 hours of continuing education every two years, of which seven hours must be on Alabama appraisal licensing law and/or Uniform Standards of Professional Appraisal Practice (USPAP).</p> <p><i>Code of Alabama 1975</i>, Sections 34-27A-15 and 34-27A-19</p> <p>Requirements for continuing education are presented in the board's administrative rules at 780-X-12-.02.</p>
Reciprocity	<p>Yes, by individual agreements with 31 other reciprocal states including Washington D.C.</p> <p><i>Code of Alabama 1975</i>, Section 34-27A-14</p> <p>Requirements for temporary permits are set out in the board's administrative rules at 780-X-11-.01.</p>
Employees	8
Legal Counsel	Neva C. Conway Assistant Attorney General
Subpoena Power	<p>Yes, persons and records.</p> <p><i>Code of Alabama 1975</i>, Section 34-27A-21</p>

Internet Presence	www.reab.state.al.us - contains: <ul style="list-style-type: none"> • Contact information • Licensing renewal forms • Approved continuing education courses and currently approved licensure courses • Listing of licensed appraisers and approved mentors • Read capability for the real estate appraisers enabling statutes and administrative code • Minutes • Listing of reciprocal states
Attended Board Member Training	Executive Director Attorney for the board Executive assistant

Financial Information:

Source of Funds	Licensing fees, fines, and interest earned <i>Code of Alabama 1975</i> , Section 34-27A-6
State Treasury	Yes, Special Revenue Fund 0606 <i>Code of Alabama 1975</i> , Sections 34-27A-6 and 34-27A-27
Unused Funds	Retains unexpended funds <i>Code of Alabama 1975</i> , Sections 34-27A-6 and 34-27A-27

SIGNIFICANT ITEM

Complaints were not resolved in a timely manner. - According to the results of a review of Alabama's real estate appraiser regulatory program by the Appraisal Subcommittee of the Federal Financial Institution Examination Council, "Alabama's complaint investigation and resolution program does not comply with Title XI and ASC Policy Statement 10E, because complaints are not resolved in a timely manner."

"Under title XI and ASC Policy Statement 10E., States need to investigate and resolve complaints in a timely manner. Complaint resolution generally should occur within one year of complaint receipt. Due to a two-year vacancy on one of two investigator positions and two turnovers in the Executive Director during the past two years, a backlog of 118 unresolved complaints has developed."

This information was conveyed to the Alabama Real Estate Appraisers Board in a letter dated April 20, 2007 from Virginia M. Gibbs, Chairman of the Appraisal Subcommittee. The full text of the letter can be found in the appendices of this report.

The letter further states that, "To address this concern, the Board needs to:

1. Ensure that all complaints are investigated and resolved in a timely manner, with the goal of resolving complaints within one year of receipt, as provided in ASC Policy Statement 10 E.; and
2. Provide a written plan describing in detail how the Board will reduce its backlog of outstanding complaint cases, and how it will ensure that future complaints are investigated and resolved in a timely manner."

Minutes of a board meeting of March 16, 2007 show that Jenny Tidwell from the Appraisal Subcommittee reported to the board the findings of a review by the subcommittee. Minutes addressing the review document the following conditions related to the regulatory program.

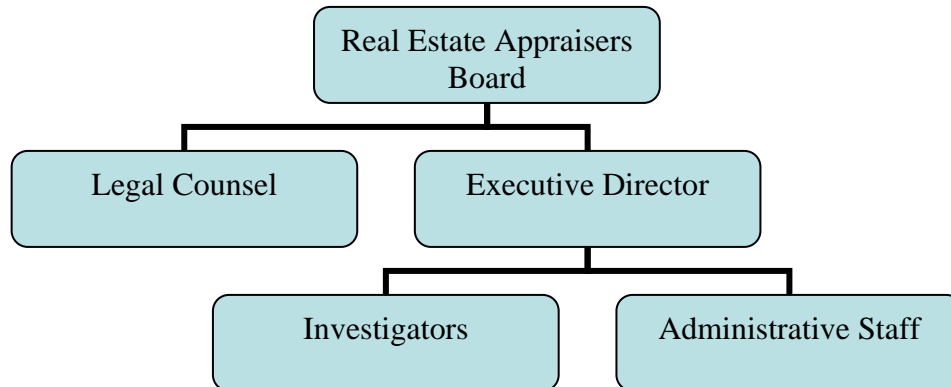
- Ms. Tidwell was satisfied with quality in the enforcement area,
- Forty-four cases were over one year old,
- Board member complaints need more documentation,
- The board has been working with only one investigator for 2 1/2 years,
- The board has had three executive directors since 2005.

Our review of the complaint process and related statistics can be found in this report beginning on page 7.

STATUS OF PRIOR FINDINGS

All prior findings have been resolved.

ORGANIZATION



PERSONNEL

The Real Estate Appraisers Board employs 8 persons, as follows:

Schedule of Employees

(as of September 5, 2007)

Classification	Number of Employees	Merit System Status	Race	Gender
Executive Director	1	Unclassified	White	Female
Legal Counsel	1	Classified	White	Female
Real Estate Appraisal Investigator	2	Classified	White	Male
Executive Secretary	1	Classified	White	Female
Accountant	1	Classified	White	Male
ASA II	1	Classified	Black	Female
Legal Research Assistant	1	Classified	White	Female

PERFORMANCE CHARACTERISTICS

Number of Licensees per Employee - 212

Total Expenditure per Licensee (2005-2006 Fiscal Year) - \$308.54

Regulation in Conjunction with Other Entities – The Alabama Real Estate Appraisers Board is the only agency in the state of Alabama that regulates real estate appraisers. The Alabama Real Estate Commission regulates the practice of realtors and real estate brokerage.

Though they do not directly license and regulate appraisers, the Appraiser Qualifications Board and the Appraisals Standards Board of the Appraisal Foundation are charged by the Congressional Appraisal Subcommittee with setting uniform standards of practice for all state-sponsored appraisal licensure boards to follow when approving an applicant for licensure. Only those appraisers licensed by a federally approved state program can make appraisals for land sales backed by federally-funded loans.

Number of Persons per Licensee in Alabama and Surrounding States

	Population*	Number of Licensees	Persons Per Licensee
Alabama	4,599,030	1,696	2,712
Florida	18,089,888	12,467	1,451
Georgia	9,363,941	6,753	1,386
Mississippi	2,910,540	1,464	1,988
Tennessee	6,038,803	2,293	2,634
* U.S. Census, July 2006 estimates			

Notification to Licensees of Board Decisions to Amend Administrative Rules

The board complied with procedures as provided in the state's Administrative Procedure Act, which includes submitting proposed rules to the Legislative Reference Service for publication in the Administrative Monthly, and public hearings on proposed rules.

Complaint Process

Board Rules 780-X-14-.01 through 780-X-15-.01 provide the procedures for documentation, receipt, and investigation of complaints relating to board licensees and illegal practices. The most common complaints received are complaints concerning the valuation of properties due to selection of inappropriate comparables or the use of inappropriate methodology in the valuation process.

Initial Documentation	<p>Filing a complaint can be initiated by the board or by any person upon filing with the board's executive director a signed original and two copies of a letter of complaint. The letter of complaint should contain the name and address of the complaining party as well as the name and address of any licensed real estate appraiser against whom the complaint has been filed. The complaint should contain a statement of the facts that indicates that the individual complained against has violated Chapter 27A, Title 34, <i>Code of Alabama 1975</i>, or rules promulgated by the board or Rules of Professional Conduct (Code of Ethics). The complaint should also contain any documentation of the alleged violations, including a copy of the appraisal in question if available. (Administrative Code, Section 780-X-14-.01)</p>
Informal Disciplinary Procedure	<p>The executive director performs an initial review of the complaint. Following the initial review of the letter of complaint, the board's attorney, with the input and involvement of the board's investigative staff, will make a recommendation to the board as to whether probable cause exists, showing that there have been probable violations of the board rules and regulations. A majority vote of the board members present will determine whether to accept the staff's recommendation. Following the board's decision, the case will either be dismissed, recommended for further investigation, or the case may be set for a hearing. Where the investigation determines that a violation exists, the board's attorney or investigative staff may initiate actions to informally settle any dispute that may violate or potentially violate the board's rules or statutes (i.e., requesting that the licensee do or refrain from doing certain activities that the board prescribes) and may enter tentative settlement agreement(s) and/or releases between the licensee, the board, and/or other parties setting out the terms of any resolution or settlement. Any tentative settlement agreements must be presented to the board for approval. The board may accept, reject, or change the terms of the settlement. Should the terms be changed, the board's attorney will have authority to settle the case as instructed by the board. All settlement agreements are subject to board approval. (Administrative Code, Section 780-X-14-.02)</p>

Formal Hearings	In the event a disciplinary case cannot be settled, the board and/or the licensee may request that the case be set for a hearing. A presiding hearing officer shall conduct all disciplinary hearings. The board will issue an order within 30 days of the date of the final hearing, which shall include findings of fact, official notice taken, and conclusions of law, stated separately. (Administrative Code, Section 780-X-14-.04 through 780-X-14-.07)
Resolution/Disposition	Upon a finding that respondent has violated any enumerated provision or rule established by the board, including the Code of Ethics, the board shall impose any or all of the disciplinary penalties set forth in Code of Alabama 1975, Sections 34-27A-20(a), 34-27A-20(c), and 34-27A-5(b)(10), or as otherwise provided by law. Notice of public reprimands, suspensions, and revocations imposed in connection with any disciplinary action may be published in a newspaper of general circulation in the county of the principal place of business of the licensee. (Administrative Code, Section 780-X-14-.04 through 780-X-14-.07)
Anonymous Complaints	Anonymous complaints are accepted. (Administrative Code, Section 780-X-14-.02)

Complaint Resolution

Complaints received and resolved since the start of the fiscal year 2003 are listed below.

Schedule of Real Estate Appraiser Complaints October 1, 2002 through July 15, 2007								
Year Received	# Received	Fiscal Year Resolved					PENDING	Avg Days to Resolution
		2003	2004	2005	2006	2007*		
2003	93	34	33	16	6	4	0	399
2004	105		62	25	11	6	1	271
2005	160			57	53	36	14	318
2006	83				7	35	41	410
2007	64					11	53	80*
Total	505	34	95	98	77	92	109	

* Through July 15, 2007

According to board records for the period, the average time to resolve a case is 11 months and 19 days. The longest open case has been open for 3 years, 4 months, and 17 days as of July 3, 2007.

The board's legal counsel stated that pending cases remain open for a multitude of reasons including, monitoring for compliance with board orders, awaiting the completion of investigations, assignment to an investigator, completion of the licensee's due process, etc.

Consent settlement agreements provide that if an appraiser does not comply with settlement provisions by the date agreed upon, the board may suspend the appraiser's license until compliance is complete.

If a case is contested and goes to hearing, an enforcement proceeding is placed before the board.

A monitoring status begins when the board enters a disciplinary order and continues until the licensee complies with all requirements of the order. The requirements may include payment of administrative fines, additional continuing education, suspension, or submitting logs of appraisals so that the board can randomly review appraisal reports for continued violations.

Once a case in monitoring status has been completely resolved with a final order of the board, the appeal period begins and further action is limited to assurance of compliance with the order.

Private Reprimands

The *Code of Alabama 1975*, Section 34-27A-20(a), grants the Real Estate Appraisers Board the power to discipline its licensees through a private reprimand, in conjunction with administrative fines and/or continuing education. Though the reprimand is termed "private," facts of the case, such as use of inappropriate comparables or other violations, any administrative fines levied, and any additional education required are published in the disciplinary section of the board's periodic newsletter without the name of the offender.

Private reprimands fall into three categories of discipline, based on the severity of the offense and whether the board feels that the actions are of sufficient concern to be considered part of the board's progressive discipline process. The first, and least severe, form of discipline is a letter of counsel. The offense warranting a letter of counsel is considered mild, and the board usually does not stipulate that the letter of counsel will be included in consideration of further disciplinary actions. The second form of discipline is a letter of warning. The offenses earning a letter of warning are of more concern to the board, and may result in additional education or training. Letters of warning are usually considered in further disciplinary matters during a two-year period following the letter. The final of the three forms is termed a private reprimand. The board almost always requires additional education and administrative fines for offenses warranting a private reprimand.

Private reprimands, by type, issued since the start of fiscal year 2003 are listed below:

	Letter of Counsel	Letter of Warning	Private Reprimand	Total
Oct – Dec 2002	11	26	5	42
CY 2003	14	41	13	68
CY 2004	6	24	6	36
CY 2005	14	22	23	59
Jan – Sept 2006	5	10	23	38
Total	50	123	70	243

SMART BUDGETING

Acts of Alabama, 2004-50 (HJR89) states, “That all state agencies and entities receiving legislative appropriations are requested to submit to the Joint Legislative Budget Committee budget proposals in performance based budget language and form. This request is applicable for proposals for the 2005-2006 fiscal year to be submitted to the 2005 Regular Session and for each succeeding fiscal year. The Director of Finance is requested to inform each public agency or entity of our desires concerning this matter.”

To comply with this request, the Director of Finance implemented a system of budgeting that requires each agency to report its performance, the system to be named SMART, an acronym for Specific, Measurable, Accountable, Responsive, and Transparent.

As a part of the SMART Budgeting system, each agency is required to submit its goals and objectives to the Department of Finance – the goals to be stated as long-term, multi-year targets which are to be achieved through accomplishment of stated objectives, which are single-year targets. In order to report progress, the goals and objectives must necessarily be designed so that the agency can measure annual progress toward their achievement. The SMART Budgeting system includes an Operations Plan and a Quarterly Performance Report. The performance report presents information on achievement of an agency’s annual objectives, and is the SMART Budgeting report that presents performance information. If an agency has not included at least one objective for each goal, performance relative to that goal will not be reported. For the 2006 fiscal year, each licensing/regulatory agency was required to have at least one goal and one or more objectives directly related to the goal. Additional annual objectives were allowed without corresponding goals. The board’s SMART budgeting goals for 2006 and 2007 and the final Quarterly Performance Report for 2006 are presented in the appendices of this report.

Among agencies that were not used to reporting performance, we found confusion as to how to design the goals and objectives and how to differentiate between goals and objectives. Routinely we found goals with no directly related objectives. Both goals and objectives were often too abstract to be measurable, and progress toward their achievement could not be meaningfully reported. The Department of Finance is aware of these deficiencies and is taking remedial steps.

In these respects, the Alabama Real Estate Appraisers Board was no exception. Some goals were not accompanied by directly related objectives. Some goals and objectives were abstract, and progress toward their achievement could therefore not be measured and reported.

The board's SMART Operations Plans for 2006 and 2007 fiscal years and the SMART Quarterly Performance Report for the 2006 fiscal year are included in the appendices of this report.

The board's performance goals and objectives for 2006 and 2007 fiscal years and the examiner's comments are presented in the following table.

2006 AND 2007 GOALS	COMMENTS
1. To provide timely processing of applications	No measurable long-term performance target for any named activity of the board. As there is no directly related objective, performance for the goal was not reported.
2. To resolve all complaints in a timely manner	There is no performance target, so it is not possible to determine when the goal has been reached. One objective is directly related to this goal, and another objective is secondarily related to this goal. Progress toward this goal was reported on the board's performance report.
3. To identify fraudulent appraisals	Workload item rather than performance goal. No target level of performance. No directly related objectives; however, two objectives are indirectly related to this goal. Progress toward the indirectly related objectives was reported on the board's performance report.
4. To approve only quality education courses and instructors	Workload item rather than performance goal. No target level of performance. One objective is directly related to this goal, and progress was reported on the board's performance report.

2006 OBJECTIVES	RESULTS	COMMENTS
Maintain average turn-around time of complaints.	7.75 months	No target level of performance. Cannot determine if objective was achieved.
More efficient processing of complaints will allow investigators to monitor more education courses	3 education courses monitored	Not measurable as stated. No target level of performance. Cannot determine if objective was achieved.

2007 OBJECTIVES	COMMENTS
Maintain average turn-around time of complaints.	No target level of performance. Will not be able to determine if objective is achieved.
More efficient processing of complaints will allow investigators to monitor more education courses	Not measurable as stated. No target level of performance. Will not be able to determine if objective is achieved.
Reduce number of complaints through deterrence and better quality education	Not measurable. No target level of performance. Will not be able to determine if objective is achieved.

FINANCIAL INFORMATION

Schedule of Fees

The *Code of Alabama 1975*, Section 34-27A-6, authorizes the board to set fees. The following fees have been set.

<i>Fee</i>	<i>Administrative Rule</i>	<i>Amount</i>
Trainee Real Property Appraiser Application Fee	780-X-4-.02	\$125.00
Annual License Fee	780-X-4-.02	\$275.00
State Registered Real Property Appraiser Application Fee	780-X-4-.02	\$225.00
Annual License Fee	780-X-4-.02	\$275.00
Licensed Real Property Appraiser Application Fee	780-X-4-.02	\$250.00
Annual License Fee	780-X-4-.02	\$275.00
Washington Registry Fee		\$25.00
Certified Residential Real Property Appraiser Application Fee	780-X-4-.02	\$250.00
Annual License Fee	780-X-4-.02	\$275.00
Washington Registry Fee		\$25.00
Certified General Real Property Appraiser Application Fee	780-X-4-.02	\$250.00
Annual License Fee	780-X-4-.02	\$275.00
Washington Registry Fee (sent to the Appraisal Foundation)		\$25.00

Delinquent Charge if annual license fee is not paid by: September 30 March 31	780-X-4-.02 780-X-4-.02	\$50.00 \$200.00
Mentor Status Application (one-time fee unless status is revoked)	780-X-4-.02	\$200.00
Temporary Permits: Application fee per appraisal assignment	780-X-16-.05	\$75.00
Evaluation of Education Applications for Instructors or Asst. Instructors for: licensure (min. of 15 hrs.) Continuing Education Courses (min. of 2 hrs.)	780-X-5-.04 780-X-5-.04	\$50.00 \$25.00
Evaluation of Education Applications for: Pre-license or continuing education courses	780-X-5-.02(11)	\$10.00/hr.
Letters of Good Standing	Cost Recovery	\$10.00
Labels	Cost Recovery	\$10.00
USPAP Books	Cost Recovery	\$15.00
Copy of Administrative Code	Cost Recovery	\$5.00
Copy of Statutory Authority	Cost Recovery	\$5.00

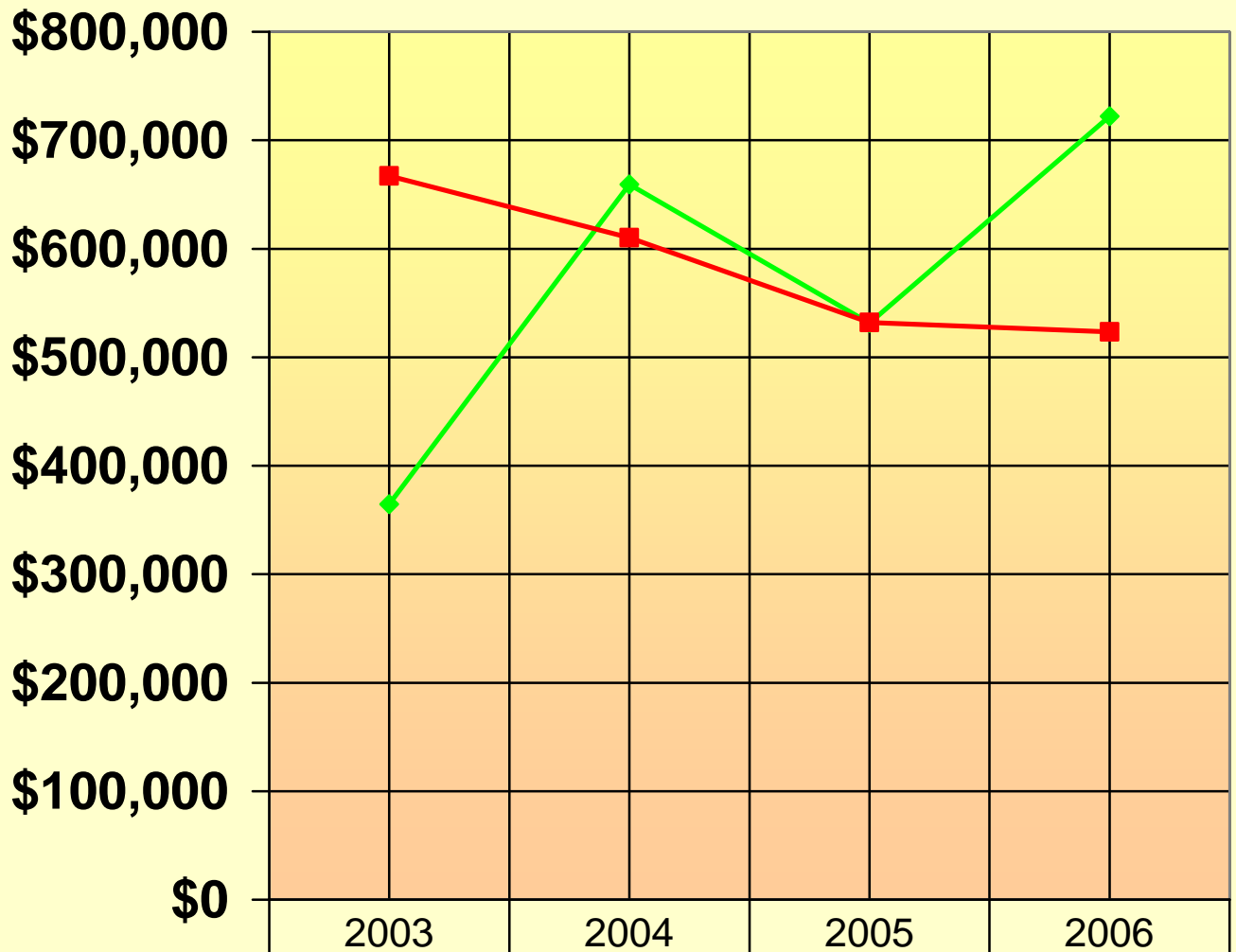
Schedule of Cash Receipts, Disbursements, and Balances

For the Period October 1, 2002 through September 30, 2006

	<u>2005/06</u>	<u>2004/05</u>	<u>2003/04</u>	<u>2002/03</u>
<u>Receipts</u>				
Licensing Fees	\$597,654.00	\$ 464,865.00	\$ 604,140.00	\$312,610.00
Miscellaneous Fees and Fines	90,404.00	49,739.25	48,470.00	41,778.66
Interest Income (1)	33,995.94	16,899.26	6,667.81	10,140.85
Total	<u>\$722,053.94</u>	<u>\$531,503.51</u>	<u>\$659,277.81</u>	<u>\$364,529.51</u>
<u>Operating Disbursements</u>				
Personnel Costs	267,042.54	291,584.01	355,964.34	372,531.52
Employee Benefits	87,435.60	86,495.49	96,541.49	99,084.45
Travel In-State	16,959.89	15,354.03	18,794.39	21,924.87
Out-of-State Travel	8,967.64	5,531.86	5,240.02	9,036.91
Repairs and Maintenance	2,710.30		709.36	835.90
Rentals and Leases	58,321.80	56,185.34	52,854.90	54,936.21
Utilities and Communications	23,832.78	21,352.44	17,575.08	17,069.62
Professional Services	14,996.36	18,842.53	22,086.33	31,783.77
Supplies, Materials, and Operating Expenses	27,829.90	33,886.21	26,313.38	40,132.57
Transportation Equipment Operations	3,070.70	2,343.71	1,469.61	2,145.99
Miscellaneous		25.00		125.00
Transportation Equipment Purchases				17,660.00
Other Equipment Purchases	12,123.10	388.41	12,630.14	
Total Operating Disbursements	<u>523,290.61</u>	<u>531,989.03</u>	<u>610,179.04</u>	<u>667,266.81</u>
Excess (Deficiency) of Receipts over Disbursements	198,763.33	(485.52)	49,098.77	(302,737.30)
Cash Balance at Beginning of Year	<u>703,312.91</u>	<u>703,798.43</u>	<u>654,699.66</u>	<u>957,436.96</u>
Cash Balance at End of Year	902,076.24	703,312.91	703,798.43	654,699.66
Reserved for Year-End Obligations	46,010.16	27,788.07	24,148.12	18,359.62
Unobligated Cash Balance at End of Year	<u><u>\$856,066.08</u></u>	<u><u>\$675,524.84</u></u>	<u><u>\$679,650.31</u></u>	<u><u>\$636,340.04</u></u>

(1) The **Code of Alabama 1975**, Section 34-27A-27, allows the board to retain any interest earned.

Operating Receipts vs. Operating Disbursements (Chart)



◆ Receipts	\$364,530	\$659,278	\$531,504	\$722,054
■ Disbursements	\$667,267	\$610,179	\$531,989	\$523,291

QUESTIONNAIRES

Board Member Questionnaire

Questionnaires were mailed to all nine board members. Two responded.

Question #1

What are the most significant issues currently facing the Alabama Real Estate Appraisers Board, and how is the board addressing these issues?

- The back-log of investigations on complaints to the board. The need to have an education staff member who would handle all education duties, to include monitoring of classes/education.
- The 2008 Appraisal Foundation change in education. The board is ahead of schedule in addressing this issue.

Question #2

What changes to the board's laws are needed?

- I know of none at present time.
- We recently had changes to the board's law. I am not aware of any changes needed at this time.

Question #3

Is the Alabama Real Estate Appraiser's Board adequately funded?

Yes	1	No	1	Unknown		No Opinion	
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- I feel that we need additional administrative staff and investigators.
- I am not aware of any state funding received by the board. I am of the understanding we are totally funded by appraiser fees.

Question #4

Is the board adequately staffed?

Yes	1	No	1	Unknown		No Opinion	
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- I feel that the board needs a full-time education staff member who could monitor education being taught, find correct & best education programs and keep records on each appraiser's education completion.

Question #5

What is the purpose of your fiscal year-end balance of unobligated funds?

- I am not aware of any unobligated funds.
- Reserve for unexpected expenses or drop in licensees

Licensee Questionnaire

Questionnaires were mailed to one hundred licensees. Sixty-one responded.

Question #1

Do you think regulation of your profession by the Alabama Real Estate Appraiser's Board is necessary to protect public welfare?

Yes	58	No	3	Unknown		No Opinion	
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- This is result of federal law imposed on the states.
- I don't think they are doing much to protect the public.
- Very
- Yes, very much so. Although, I don't think that the board is aggressive enough toward disciplinary action.
- The board is there to protect their buddies & positions.
- National guidelines should apply to the state's board and appraisers, i.e., USPAP.
- I do believe REAB has a purposeful mission.

Question #2

Do you think any of the board's laws, rules, and policies are an unnecessary restriction on the practice of your profession?

Yes	15	No	43	Unknown	1	No Opinion	2
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- An effort should be made to de-regulate less government. Keep license fees low.
- There should be no difference between certified and licensed. Most other states recognize licensed being as qualified and capable as certified; too many categories.
- We are forced to do things that are unnecessary & charge customers more than we would otherwise.
- Requirement of General Certified Appraiser acting as mentor to attend orientation each license cycle is ridiculous. Once is acceptable – anything else is too much!
- Some policies, discipline for insignificant & absurd items.

- Puts too much responsibility on mentors to train and be liable for trainee appraiser's work. Trainees should be required to take more courses and pass more comprehensive test before getting a license.
- *Ambiguous* policies in Alabama are applied to our profession. Fees are not consistent for all – “gouging” for reciprocal licenses.
- I think the practices of the board staff are an unnecessary restriction on practice of the appraising profession.

Question #3

Do you think any of the board's requirements are irrelevant to the competent practice of your profession?

Yes	11	No	42	Unknown	3	No Opinion	5
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- ASPAP should determine this.
- One requirement is not irrelevant but redundant – if a person takes the 15 hour USPAP and passes the test, why should they be required in the same 2 year period of time to take the 7 hour update?
- Mentorship requirements. I believe willingness to serve as a mentor is much more important than how long your license has been on the wall.

Question #4

Are you adequately informed by the Alabama Real Estate Appraiser's Board of changes to and interpretations of board positions, policies, rules, and laws?

Yes	43	No	14	Unknown	3	No Opinion	1
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- The newsletter is not published on a regular basis. Could be good source of information to appraisers.
- I believe that any significant change or new policy or rule should be e-mailed to all appraisers.
- Generally, yes.
- Somewhat
- I was not aware of mentor required attendance to orientation. Never heard this was being considered. Would have appreciated request for input.

- Example – ANSI
- We have no way of knowing!
- When asked about changes, all you are told is to check the website, which does not work for us most of the time.
- Very poor communication of changes! Last year 3 appraisers – two were trainees – were not informed about mentorship changes that took place in August. Both trainees applied in 2006. Neither trainees nor the licensed appraiser was given notice of role changes before August. Then we were rendered “inactive” – out of business!
- The board claims to have mailed notices that none of the appraisers in this office ever received.

Question #5

Has the board performed your licensing and renewal in a timely manner?

Yes	54	No	7	Unknown		No Opinion	
-----	----	----	---	---------	--	------------	--

- We were not informed or notified the license renewal fees were due Sept. 06.
- Would like more advanced notice of pending expiration and clear notification or renewal fees and requirements.
- Fair
- Most of the time
- Not at all! Poor communication of needed documents and follow-up caused me to wait *three* months for mentor approval and over one month to upgrade/recognize status change from trainee to Certified Residential. The director sent a very harsh letter scolding me and my business partner. My experience with the Alabama board has been unpleasant and combative! They are not happy to help and they clearly *do not* want out of state licenses to practice in Alabama. I live on the state line – “Columbus/Phenix City.” We practice in Barbour, Lee, and Russell counties. Management companies and lenders outside of Alabama use my company to perform reviews and relocation appraisals, as well as HUD and other work. In some areas none of the local appraisers are approved by these clients to perform appraisals. In some cases their reports have been fraudulent or unacceptable. Therefore we are called on and the state should be willing to work with us to become compliant and to reciprocate. It has been overly difficult and very expensive – excessive as compared to residents of Alabama.

Question #6

Do you consider mandatory continuing education necessary for competent practice?

Yes	55	No	4	Unknown		No Opinion	2
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- If there is adequate new information that needs to be discussed. ASPAP update, etc.
- But the vast majority of what is offered & approved by the Board is worthless.
- However 30 hours is excessive
- Very, but not more than the current # of hours required
- Depends on the cont. ed classes; I have taken many cont. ed that did not teach me any additional relevant info.
- Continuing education has played an integral part of my knowledge and experience I gained over the years.
- But need more variety
- When changes come to USPAP & such, then there should be update classes.

Question #7

Has the Alabama Real Estate Appraiser's Board approved sufficient providers of continuing education to ensure your reasonable access to necessary continuing education hours?

Yes	48	No	5	Unknown	4	No Opinion	4
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- However, there is only so much continuing education to be taught. Most of courses are a waste of time & money, in my opinion.
- Yes to continuing education, but "no" to approved licensure courses.
- New rule requiring major expense to teach seminars should be reviewed.
- For the courses, yes. For certain specialized courses – travel expenses, time, cost, and distance makes them, for most, a hardship.

- In fact, they added their own orientation @ \$50 to all trainees & mentors. Appears to most this is a money-making scheme. Trainees should attend this right out of class and one time only.
- Too new to the profession

Question #8

What do you think is the most significant issue(s) currently facing your profession in Alabama, and what is the board doing to address the issue(s)?

- I think we need a monthly e-mail newsletter talking about what is going on around the state and around the country in our profession. Also, we need a chat room to discuss things with a board moderator to answer questions.
- Banking and Gov. Regulation. Nothing.
- Licensing of new appraisers & appraiser trainee regulations.
- No opinion.
- Getting users of appraisals to report fraudulent/deficient appraisal reports to board for action. As review appraiser, I see far too many deficient reports, but users (banks) are very reluctant to report to board.
- Fraudulent & incomplete appraisals. I have no idea.
- Incompetent appraisal practices and incompetent appraisers. They are mandating better mentor regulations, education, and qualifications for new trainees, but they are not acting on changes brought to the board by the board's own investigators. Could we have lost some really great investigators because the board ignored or was afraid to act?
- It's been too easy to get licensed, leading to too many "bonehead" appraisers in the area. There are too many appraisers, which leads to a lot of incompetent appraisals. Also, the fees are being driven down b/c there is not enough business in the area, when everything else is going up in price.
- The practice of appraisal management companies taking their fee out of the appraiser's fee. This fee should be paid by the party that engages the service, namely, the lender.
- VALUE. Our job is to determine value. The board checks, punishes, etc. all kinds of things but the value appraisers put on appraisals. It is almost all that really matters.
- Fraudulent appraisals

- **Incompetence:** Having trained under one of the most methodical appraisers in the state and participating in the appraisal industry since 1993, I can state without hesitation that incompetence is the most significant factor facing the industry. This factor is compounded by incompetent appraisal board members, namely the chairman of the Appraiser's Board, [REDACTED]. From time to time I have reviewed appraisals conducted by Mr. [REDACTED]. I am astonished that this individual is licensed to practice in the industry, much less be the chairman of the board.

Over the years I have on occasion submitted appraisals to the board that were so poor that anyone in their right mind with appraisal knowledge would have revoked the licenses of the appraiser(s) under review. In one case an appraiser and his supervisor appraised a property located on an exclusive island in south Alabama. The subject had no water frontage, yet the appraiser(s) utilized three water front properties as comparables and did not make the appropriate site/view adjustments. Additionally there were numerous interior properties available for comparison. The appraiser(s) received a private reprimand, and a nominal fine.

In another case I submitted an appraisal for the board's review and possible disciplinary action. The appraised property was in a condominium development located in Gulf Shores. The subject was a road side unit located in a gulf side development (units were arranged from gulf front to interior, about 4 rows deep, and road side units). This appraiser utilized gulf front units as comparison to the road side unit. Upon review of the market and listings in the development it was noted that there were at least two road side units available for sale at prices significantly less than the appraiser's market value estimate. The principal of substitution applies in this case; therefore, the unit in question could have been worth no more than the like kind units (assuming everything equal). This individual received a public reprimand and \$1,000 fine and was allowed to continue as an appraiser and to serve as a trainer appraiser.

At least one other case was submitted to the board for gross negligence resulting in more of the same. In each case I spent countless hours providing the board with market data in an effort to help the board and the investigator understand why these appraisers were so negligent or incompetent. However, I have been extremely disappointed in the outcome. Because of the board's lack of action and the makeup of the board, beginning with its chairman, I feel that it is a waste of my time to submit appraisals for the board's review. This is unfortunate, because incompetence appears to be worse than ever. You can simply review mortgage amounts and listings. In many cases mortgage amounts exceed list prices. Most of these recent deals involve pre-construction contracts on condominium units that were placed under contract in mid-2005 (leading up to Hurricane Katrina) about the time the Gulf Coast market peaked. At that time gulf front pricing had ballooned; however, there has been a significant correction, yet buyers continue to receive mortgages that are higher than list prices. Again, incompetence is at hand. The appraisers do not grasp the simple principal of substitution. I fear that the problem is at such a magnitude that it will be impossible to deal with all of the issues when the market bottoms and incompetent appraisers will continue to provide phony market value estimates.

I suggest before the governor makes a new appointment he should have a nominating committee comprised of well respected individuals in the banking and real estate profession make recommendations. These recommendations should then be reviewed by a professional organization, such as the Appraisal Institute, before extending an offer to serve on the board.

- 1) Lenders putting too much pressure on appraisers to get a predetermined value. 2) Bank officers setting value – not trained. 3) Lenders using preset standards to make loans. I have seen no action from our board on these.
- Monitor unethical & unprofessional appraisal reports. Focus need to be made on out of state appraisers coming into Alabama.
- Negligent or fraudulent appraisers. Board is understaffed to the point they cannot possibly keep up – so they are doing nothing.
- I do not think that bank loan officers should be able to do evaluations on properties over \$50,000.
- People performing poor appraisals, I assume they reviewing complaints
- Professionalism – Too many poorly trained & educated appraisers hitting numbers.
- I am currently employed as a County Mass Appraiser & therefore I am not faced with any issues as a person in private practice would be.
- Professionalism
- Appraiser competency and ethics. Continue monitoring appraisal work for quality.
- Std. licensing between all states.
- Maintaining a high level of the public's trust
- Predatory lending; putting duress on appraisers. Not sure what the board is doing to address this issue.
- Unsure
- Incompetence shown by some appraisers and the lack of response shown by the board in kind. I also think that the Appraiser's Board should be chosen after their work has been scrutinized by a separate qualified board of appraisers.
- Getting rid of the "bad apples". Thanks for sending out this questionnaire.

Licensee Questionnaires

- Pressure by lenders/agents to “reach value” to continue to receive work. Don’t know what the board is doing on this.
- Pressure placed upon appraiser’s client to have the appraiser’s opinion of value come near their own idea of value.
- None
- Adequate training for trainees & proper supervision of trainees. The board implemented a new supervision/trainee policy that I think was a good idea.
- The board is doing a good job as the way it is set up.
- I am a timberland appraiser & forester. The Appraisal Board refuses to recognize my valuation expertise and is restricting my business.
- Lender pressure. Nothing – it is not the board’s job to regulate the mortgage industry.
- Need to have a minimum two year degree in order to apply for trainee license. I hear the board is supposed to apply the law at some point.
- N/A
- Incompetent appraisal cutting fees and providing a specified value opinion.
- N/A
- The fees for license renewal are excessive.
- Recognizing the difference in an experienced appraiser versus a novice. Everyone can’t be treated the same during an investigation. An experienced appraiser should get the benefit of the doubt.
- Most important is some appraisers are meeting values for clients that are over-valued.
- Too many unqualified appraisers. To the best of my knowledge the board is attempting to hire another investigator to monitor unacceptable appraisers.
- 1) The present URAR forms are a disaster (need to be revised). 2) Most bankers, loan officers, and underwriters appear to be unfamiliar with the USPAP, as well as unconcerned. The appropriate regulatory agency needs to address this issue.
- Unlicensed persons can own an appraisal business unlike accountant, lawyers, and other professionals. Also, many bad appraisers go unpunished for years.

- Getting and maintaining quality in appraisers, the board is limiting way too much in ways of getting more appraiser trainees. Looks like they are protecting themselves by the limits they are putting on appraisers to train new ones.
- Consistency – communication
- I believe appraisers are trying to produce good work; however, lenders are still getting appraiser to shoot for a value.
- The spread of fraud among residential appraisers nationwide.

Question #9

Do you think the board and its staff are satisfactorily performing their duties?

Yes	41	No	10	Unknown	7	No Opinion	3
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- However, there seems to be a turn over of these employees. Most have no past appraisal experience.
- Until value is the main thing they check for & make rules about, it will be *no*.
- I don't really know what they are doing.
- Numerous complaints about certain appraisers have gone unheeded. Continued work by those appraisers is costing borrowers large amounts of money when home is lost.
- I would give them a C+.
- I don't think that the board is aggressive enough toward disciplinary action.
- I have never had interaction with the board or staff.
- Over-penalizing some appraisers for the smallest infraction
- They can't keep reviewers on staff due to poor income. A good appraiser can earn a living, so why take a state job that pays nothing?
- The appraiser board is slow in processing reviews. Accepting complaints from unnamed sources is taking away from true complaints. Reviews of true complaints take up to 2 years in some cases.
- SLOW!!! Communication is inconsistent, incorrect, and poor follow-up. Providing *precise* information is poor. For instance, tell us what you need in order to approve our licenses. I was misinformed and I called two times. To ask, "Do you need A, B, C,

etc..” They said no, but they did! The mailing address on the website was incomplete and my documents (sent overnight deliver) were undeliverable. All of the above cost me over a month in time, money, and frustration!! The director had an attitude and treated me and my partner very unprofessionally! She wrote a very ugly letter to us insinuating we don’t read our mail, etc.! Poor, unsatisfactory performance!

Question #10

Has any member of the Alabama Real Estate Appraiser’s Board or its staffed asked for money (other than normal fees), services, or any other thing of value in return for performing a board service for you?

Yes		No	60	Unknown	1	No Opinion	
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- They are not fraudulent, they are rude and unprofessional!

Trainee Questionnaire

Questionnaires were mailed to fifty trainees. Twenty responded.

Question #1

Do you think regulation of your profession by the Alabama Real Estate Appraiser's Board is necessary to protect public welfare?

Yes	19	No	1	Unknown		No Opinion	
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Question #2

Do you think any of the board's laws, rules, and policies are an unnecessary restriction on the practice of your profession?

Yes	5	No	14	Unknown	1	No Opinion	
-----	---	----	----	---------	---	------------	--

Question #3

Do you think any of the board's requirements are irrelevant to the competent practice of your profession?

Yes	4	No	14	Unknown		No Opinion	2
-----	---	----	----	---------	--	------------	---

- But some of the future education requirements to be allowed to become a certified residential or higher hinder those of us who do not have bachelor's degrees.

Question #4

Are you adequately informed by the Alabama Real Estate Appraiser's Board of changes to and interpretations of board positions, policies, rules, and laws?

Yes	14	No	6	Unknown		No Opinion	
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Question #5

Has the board performed your licensing and renewal in a timely manner?

Yes	17	No		Unknown		No Opinion	3
-----	----	----	--	---------	--	------------	---

- Friendly staff. Keep up the good work.

Question #6

Do you consider mandatory continuing education necessary for competent practice?

Yes	18	No	1	Unknown		No Opinion	1
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- Until a certain point. (Example – 20 years)

Question #7

Has the Alabama Real Estate Appraiser's Board approved sufficient providers of continuing education to ensure your reasonable access to necessary continuing education hours?

Yes	14	No	1	Unknown	4	No Opinion	1
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Question #8

What do you think is the most significant issue(s) currently facing your profession in Alabama, and what is the board doing to address the issue(s)?

- There are not enough young people able to start because of a lack of people willing to train.
- I am not currently aware of any.
- N/A
- No opinion
- Appraisers accepting assignments in areas in which they are not familiar and/or in close enough proximity to know that particular market.
- Difficulty of getting your license even though you have a college education.
- One major issue that is facing real estate appraisers is that there is no one to fight on the side of the appraiser except his/her insurance company, and I feel that needs to be changed.
- They need to make the requirements stiffer to become an appraiser. In the next couple of years I believe you will have to have a college education to get an appraisal license.
- The board needs to do a better job getting information (changes in laws, requirements, etc.) to the appraisers.

Trainee Questionnaires

- Fraud and incompetence seem to be significant issues of this profession. May need more appraiser police.
- I've only been a trainee for 5 months, but there seems to be a growing number of trainees coming into the profession. Perhaps making it harder to become an appraiser through tougher requirements perhaps.
- Standards and ethics.
- Maintaining the integrity and honesty of the profession as more responsibility is put on the appraiser by changing USPAP, increased pressure from clients, and continued fraudulent techniques in the profession.
- Unknown. I'm new to the field.
- No opinion.

Question #9

Do you think the board and its staff are satisfactorily performing their duties?

Yes	13	No	2	Unknown	3	No Opinion	2
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- When trying to contact the board the secretary can be very rude. Otherwise, yes.

Question #10

Has any member of the Alabama Real Estate Appraiser's Board or its staffed asked for money (other than normal fees), services, or any other thing of value in return for performing a board service for you?

Yes		No	19	Unknown		No Opinion	1
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Complainant Questionnaire

Questionnaires were mailed to fifty complainants. Twenty-one responded.

NOTE: Questions 1 and 3 allow for more than one answer.

Question #1

Was your complaint filed with the Alabama Real Estate Appraiser's Board by:

Mail	17	Phone	4	Fax	1	Other	4	Unknown	1
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Question #2

Was receipt of your complaint promptly acknowledged?

Yes	18	No	3	Unknown	
-----	----	----	---	---------	--

If yes, approximately how long after you filed your complaint were you contacted by the Alabama Real Estate Appraiser's Board?

Immediately	2	Within 10 days	4	Within 20 days	4
Within 30 days	2	More than 30 days	3	Unknown	3

- They asked me to come in to the office

Question #3

Was the employee who responded to your complaint knowledgeable and courteous?

Knowledgeable	9	Courteous	10	Neither	4	Unknown	7
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- He weaseled out of doing anything.
- It was a letter stating they were reviewing it.
- Never received feedback or personal contact.
- Response by mail was professional.
- Very much so (knowledgeable and courteous). The investigator was prompt, spent several hours at my property. Very satisfied.
- Response by mail

Question #4

Did the board communicate the results of investigating your complaint to you?

Yes	8	No	8	Unknown	5
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- No investigation was done.
- The letter stated “corrective action was taken.” Don’t know what that means.
- Ongoing investigation

Question #5

Do you think the Alabama Real Estate Appraiser’s Board did everything it could to resolve your complaint?

Yes	6	No	9	Unknown	6
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- I don’t know that it has been resolved.
- Their response was ambiguous at best. Their letter stated “disciplinary action as deemed appropriate by the board was taken.” Exactly what does that mean? Based on this response, I equate it with “lawyers policing lawyers”. What good ever comes of that
- Ongoing investigation

Question #6

Were you satisfied with your dealings with the board?

Yes	6	No	11	Unknown	4
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- I was requesting a “refund” because that one appraisal was not honored. I don’t know what was found out.
- They acknowledged receipt of complaint, but never communicated with us again.
- Punishments for fraudulent appraisals are *too light*.
- Very satisfied! Thank you!
- My dealings with the ALREAB have *always* been handled professionally and in a most responsive manner.

Complainant Questionnaires

- No one anywhere has helped. I even notified the FBI.
- They did let me know appropriate action had been taken against the appraiser, but they would not tell me what the square footage of my house was by their measurements. This was the reason of my complaint against the appraiser. I don't understand why this could not be disclosed to me.
- I sent up complaints after I was told that they would jump on them. Last week, they had not even gotten to it. They will not return calls. Bureaucrats.
- I sent the real estate appraiser a tape which they never response to. As I recall they took a while to write me, I also call, some talk to me ok and some didn't. I thought the appraiser checks the yard, the structure, safety of the house. One side of my yard sinks and the deck is a danger hazard. That wasn't all that happen. I got lay-off my job last July and now work two jobs to pay my mortgage and my bills and also my mother, she's on a fits income she doesn't get much. Had I known being a first time home buyer would be like this I wouldn't have never done it. I was done wrong by the realtors, the inspector, and the appraiser, I was and still is so hurt how people can do people that's trying to make it wrong. Think about it! What if it was you, or whoever! I can't even take care of some of the needs of this house. Please help me or let me know who could.
- When I sent in complaints to the board, they were serious violations per our guidelines. The board has basically slap on the wrist for doing things that as an appraiser we believe is wrong. Such as, making up comps, not researching the sales (verify data), properties not contingious; however, appraisal states differently. I review a lot of appraisals; and when I have, there have been several mistakes throughout the reports. The board is the "good ol' boy" system. When they review a friend there, the old timers never get in trouble which is sad. I have been taking classes thru the appraisal institute to better the quality of my work. The boards across the nation are making appraisers more accountable for their actions. The Alabama board is slacking. Personally, I believe the board needs to change in each district every time. I have been called by a board member trying to influence my reporting of a land appraisal I did. He told me that he was on the board and I needed to do as he said. He was in violation of *USPAP* for his statements. He tried to bully me but didn't get anywhere with it.

APPENDICES

Appraisal Subcommittee Letter

□ □ □ □ □ □

Appraisal Subcommittee
Federal Financial Institutions Examination Council

April 20, 2007

Mr. James Davis, Chairman
Alabama Real Estate Appraisers Board
P.O. Box 304355
Montgomery, Alabama 36130-4355



Dear Mr. Davis:

Thank you for the cooperation and assistance of the Alabama Real Estate Appraisers Board ("Board") in the March 14-16, 2007 Appraisal Subcommittee ("ASC") review of Alabama's real estate appraiser regulatory program ("Program"). Based on our review, Alabama needs to address one concern to bring the Program into substantial compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended ("Title XI").

- **Alabama's complaint investigation and resolution program does not comply with Title XI and ASC Policy Statement 10 E. because complaints are not investigated and resolved in a timely manner.**

Under Title XI and ASC Policy Statement 10 E., States need to investigate and resolve complaints in a timely manner. Complaint resolution generally should occur within one year of complaint receipt.

Due to a two-year vacancy in one of two investigator positions and two turnovers in the Executive Director position during the past two years, a backlog of 118 unresolved complaints has developed. Of these complaints, 39 have been outstanding for more than one year. The vacant investigator position recently was filled. During the field review, the Program's Executive Director informed ASC staff that she intends to eliminate this case backlog within the next six months.

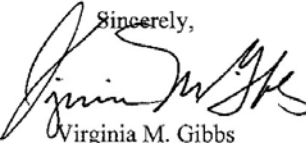
To address this concern, the Board needs to:

1. Ensure that all complaints are investigated and resolved in a timely manner, with the goal of resolving complaints within one-year of receipt, as provided in ASC Policy Statement 10 E.; and
2. Provide a written plan describing in detail how the Board will reduce its backlog of outstanding complaint cases, and how it will ensure that future complaints are investigated and resolved in a timely manner.

Please respond to our findings and recommendations within 60 days from the date of this letter. Until the expiration of that time period or the receipt of your response, we consider this field review to be an open matter. After receiving your response or the expiration of the 60-day response period, whichever is earlier, this letter, your response and any other correspondence

between you and the ASC regarding this field review become releasable to the public under the Freedom of Information Act and will be made available on our Web site.

Please contact us if you have further questions.

Sincerely,

Virginia M. Gibbs
Chairman

cc: Lisa Brooks, Executive Director

SMART Budgeting

State of Alabama		REAL ESTATE APPRAISERS BOARD			526
EBO Form No. 4b		FY 2006 SMART OPERATIONS PLAN			Page ____ of ____
		ACTUAL	BUDGET	BUDGET	
		FY04	FY05	FY06	
MISSION	To provide protection for all users of real property appraisal services through the licensing and regulation in accordance with state and federal law of persons who perform these services in Alabama. (Ala. Code Sec. 34-27A-1 to 29)(Gov. Priority #1 and 5)				
PROGRAM ACTIVITY					
					0.726
					0.726
GOAL(S)	To provide timely processing of applications To resolve all complaints in a timely manner To identify fraudulent appraisals To approve only quality education courses and instructors *Actual spending for FY04 was well below budget (.718) mainly due to the vacancy of two investigator positions for 6 mo of the FY and Board Member compensation budgeted at budgeted at \$24,300 not becoming effective until August.				
WORKLOAD	Number of applications will increase by 3% Number of disciplinary hearings will increase by 15%				401 5
CRITICAL ISSUES	Economy will continue to generate strong demand for appraisals. Internal Improve ability to identify fraud vs. incompetence (which is curable). External Merit pay grade hinders recruitment of qualified investigators.				
OBJECTIVES					
Spending	Hold budget growth at no more than 5% over past year				0.726
Staffing	Maintain FTE staffing at current level				9
Efficiency	Maintain average turn around time of complaints				6 mo.
Quality	More efficient processing of complaints will allow investigators to monitor more education courses				12
STRATEGIES	Reduce number of complaints through deterrence and better quality education Establish continuous hiring register for investigator position to reduce vacancy time due to turnover.				

Smart Quarterly Performance Report

Fiscal Year: 2006

Agency: 526 Real Estate Appraisers Board, Alabama

Program: 653 PRO AND OCCU LICENSING AND REG

Activity:

Performance Measures		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Annual	
Workload/Cost Factor	Performance Indicator	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
WC1: Number of applications will increase by 3%	No. of Applications	100	85	100	71	101	60	100	47	401	244
WC2: Number of disciplinary hearings will increase by 15%	No. of Disc. Hearings	2	0	1	0	1	1	1	0	5	1
Spending		Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
SP1: Hold budget growth at no more than 5% over past year	Budget Growth	181,500	56,627	181,500	39,314	181,500	131,071	181,500	112,268	726,000	331,221
SP2: Maintain FTE staffing at current level	Staffing	9	6	9	6	9	6	9	7	9	25
SP3: Maintain average turn around time of complaints	Complaints	6 mo.	9 mo.	6 mo.	9 mo.	6 mo.	7 mo.	6 mo.	6 mo.	6 mo	7.75 average
SP4: More efficient processing of complaints will allow investigators to monitor more education courses	Monitor of Education Courses	3	0	3	1	3	2	3	0	12	3

Item # Notes

SP1:

SP2: Budgeted for 3 investigators but down to one at this time. Have now successfully reclassified our investigator position and plan to hire one more investigator in the near future.

SP4: Only one investigator at this time

How have policy decisions and budget determinations made by the governor and the legislature in the fiscal year 2005-06 affected your agency in meeting its desired accomplishments and services?

None

What administrative improvements did your agency make in fiscal year 2005-06 and what potential improvements do you foresee for future years? Include suggested changes in legislation or administrative procedures which would aid your agency in these improvements.

Successfully reclassified our investigator classification to hire better qualified investigators.

2007 SMART Operations Plan

Agency/ Org	526 - Real Estate Appraisers Board, Alabama
Organization	-
Program	653 - PRO AND OCCU LICENSING AND REG
Activity	-

Mission	To provide protection for all users of real property appraisal services through the licensing and regulation in accordance with state and federal law of persons who perform these services in Alabama. (Ala. Code Sec. 34-27A-1 to 29)(Gov. Priority #1 and 5)
Vision	
Values	

Goals
G1: To provide timely processing of applications (GP-1)
G2: To resolve all complaints in a timely manner (GP-5)
G3: To identify fraudulent appraisals (GP-5)
G4: To approve only quality education courses and instructors (GP-2)

Critical Issues
Internal IC11: Economy will continue to generate strong demand for appraisals ()
Internal IC12: Improve ability to identify fraud vs. incompetence (which is curable) (G3)

External EC11: Merit pay grade hinders recruitment of qualified investigators ()

Strategies
1). Reduce number of complaints through deterrence and better quality education (G4)
2). Establish continuous hiring register for investigator position to reduce vacancy time due to turnover ()

Workloads							Performance Indicator
Number of applications will increase by 3%							# of Apps.
FY 07 Projected: 181 FY 07 Target: 292							
FY07 Quarterly Projections:	1 st Qtr:	70	2nd Qtr:	72	3 rd Qtr:	74	4 th Qtr: 76
Number of disciplinary hearings will increase by 15%							# of Dis. Hearings
FY 07 Projected: 3 FY 07 Target: 7							
FY07 Quarterly Projections:	1 st Qtr:	2	2nd Qtr:	2	3 rd Qtr:	2	4 th Qtr: 1

Objectives							Performance Indicator		
Spending	Hold budget growth at no more than 5% over past year						Bud. Growth		
FY 07 Projected: 828,249		FY 07 Target: 828,249.0							
FY07 Quarterly Projections:	1 st Qtr:	225,016.00	2nd Qtr:	207,061.00	3 rd Qtr:	207,059.00	4 th Qtr:	189,113.00	

2007 SMART Operations Plan

Staffing	Maintain FTE staffing at current level						Staffing
FY 07 Projected:	9						FY 07 Target: 8
FY07 Quarterly Projections:	1 st Qtr:	8	2nd Qtr:	8	3 rd Qtr:	8	4 th Qtr: 8
Efficiency	Maintain average turn around time of complaints						Complaints
FY 07 Projected:	6 months						FY 07 Target: 6 mo.
FY07 Quarterly Projections:	1 st Qtr:	6 mo.	2nd Qtr:	6 mo.	3 rd Qtr:	6 mo.	4 th Qtr: 6 mo.
	More efficient processing of complaints will allow investigators to monitor more education courses						Monitor
FY 07 Projected:	5						FY 07 Target: 30
FY07 Quarterly Projections:	1 st Qtr:	3	2nd Qtr:	7	3 rd Qtr:	10	4 th Qtr: 10
Quality	Reduce number of complaints through deterrence and better quality education						Deterrence
FY 07 Projected:	50						FY 07 Target: 100
FY07 Quarterly Projections:	1 st Qtr:	25	2nd Qtr:	25	3 rd Qtr:	25	4 th Qtr: 25

2007 SMART Operations Plan

Source of Funds			
Fund Code	Fund Name	Requested FY 07	Budgeted FY 07
0606	Licensee Fees and Related Income	\$828,249	\$828,249
Total of all Funds Listed Above:		\$828,249	\$828,249

Statutory Authority

CHAPTER 27A. REAL ESTATE APPRAISERS.

HISTORICAL NOTES

HISTORY

Effective date:

This chapter became effective without the Governor's signature under § 125 of the Constitution on April 23, 1990.

Code Commissioner's Notes

Acts 1994, No. 94-117, Section 3, provides: "A license issued pursuant to Chapter 27A, Code of Alabama 1975, prior to the effective date of this act, shall continue to be valid until the expiration date of the license." The act became effective February 25, 1994.

REFERENCES

ADMINISTRATIVE CODE

12A Ala. Admin. Code 482-1-059-.02, Department of Insurance; Guidelines to be Used for Real Estate Appraisals: Qualifications.

§ 34-27A-1. Short title. [References](#)

This chapter shall be known and may be cited as the "Alabama Real Estate Appraisers Act."
(Acts 1990, No. 90-639, p. 1175, § 1.)

REFERENCES

RESEARCH REFERENCES

Treatises and Practice Aids

Trial Handbook for Alabama Lawyers § 23:23, Expert Testimony on Value of Real Estate.

§ 34-27A-2. Definitions. [Historical Notes](#) [References](#)

The following terms as used in this chapter shall have the following meanings:

(1) Appraisal. The act or process of developing an opinion of value of real property; an opinion of the value of real property; of or pertaining to appraising real property and related functions such as appraisal practice or appraisal services.

(2) Appraisal subcommittee. The appraisal subcommittee of the Federal Financial Institutions Examination Council.

(3) Appraisal foundation. The Appraisal Foundation incorporated as an Illinois not-for-profit corporation on November 30, 1987.

(4) Appraisal report. Any communication, written or oral, of an appraisal.

(5) Board. The State of Alabama Real Estate Appraisers Board established pursuant to the provisions of this chapter.

(6) Certified appraisal or certified appraisal report. An appraisal or appraisal report given or signed and

certified as such by a licensed real property appraiser other than a trainee or registered real property appraiser. When identifying an appraisal or appraisal report as "certified," the real property appraiser shall indicate which type of license is held. A certified appraisal or appraisal report represents to the public that it meets the appraisal standards defined in this chapter.

(7) Complete appraisal. The act or process of developing an opinion of value of real property or an opinion of value of real property performed without invoking the departure rule.

(8) Executive director. The chief administrative employee of the board.

(9) Experience points. The allowable credit for appraisal of particular types of properties.

(10) Federally related transaction. Any real estate-related financial transaction which:

a. A federal financial institutions regulatory agency or the resolution trust corporation engages in, contracts for, or regulates; and

b. Requires the services of an appraiser.

(11) Federal financial institutions regulatory agencies. The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration.

(12) Financial institution. An insured depository institution as defined in Section 3 of the Federal Deposit Insurance Act or an insured credit union as defined in Section 101 of the Federal Credit Union Act.

(13) Limited appraisal. The act or process of developing an opinion of value of real property or an opinion of value of real property developed under and resulting from invoking the departure rule.

(14) Real estate. An identified parcel or tract of land, including improvements, if any.

(15) Real estate-related financial transaction. Any transaction involving any of the following:

a. The sale, lease, purchase, investment in or exchange of real property, including interests in property, or the financing thereof.

b. The refinancing of real property or interests in real property.

c. The use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

(16) Real property. One or more defined interests, benefits, and rights inherent in the ownership of real estate.

(Acts 1990, No. 90-639, p. 1175, § 2; Acts 1994, No. 94-117, p. 128, § 1; Act 2004-525, p. 1093, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subdivision (6), in the first sentence substituted "licensed" for "state certified," and added "other than a trainee real property appraiser" to the end, in the second sentence deleted "state certified" following "certified," and substituted "license" for "certification"; in subdivision (11) inserted "real estate" following "communicates," deleted "not claimed to be certified appraisals" preceding "and who holds," inserted "for any classification of real estate appraiser," deleted "the provisions of" preceding "this chapter," and substituted "this chapter" for "this act"; in subdivision (13) added "any of the following" to the introductory language; and deleted subdivision (15) defining "state certified real estate appraiser"; and made nonsubstantive changes.

The 2004 amendment, effective August 1, 2004, rewrote subdivision (1), in subdivision (2) deleted "subcommittee;" following "Appraisal", in subdivision (6) substituted "property" for "estate", inserted "or registered", deleted subdivision (11), redesignated subdivisions (7)-(10) and (12)-(14) as subdivisions (8), (10)-(12) and (14)-(16), respectively, and added subdivisions (9) and (13).

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-2-.01, Real Estate Appraisers Board; Definitions of Terms.

RESEARCH REFERENCES

Treatises and Practice Aids

FEDERAL ASPECTS

Section 3 of the Federal Deposit Insurance Act, referred to above, is codified at 12 U.S.C.A. § 1813. The Federal Credit Union Act, referred to above, is codified at 12 U.S.C.A. § 1751, et seq.

§ 34-27A-3. License required to do certain acts; statements as to licensure and certification in appraisals, etc.; penalty for violation; assistance with appraisal. [Historical Notes](#) [References](#)

(a) It shall be unlawful for any person, partnership or corporation, for a fee or other valuable consideration, or with the intention or expectation of receiving or collecting a fee or valuable consideration from another, to do any of the following unless he or she is licensed under this chapter:

(1) To be employed to perform or to perform an appraisal as defined in this chapter where the subject property of the assignment lies within the borders of the State of Alabama.

(2) Present himself or herself, or allow himself or herself to be presented, as being able to perform an appraisal for which a license is required under this chapter.

(b) It shall be unlawful for a person, other than a licensed real estate appraiser, to assume or use that title or any title, designation, or abbreviation likely to create the impression of licensure as a real estate appraiser by this state. It shall be unlawful for a person licensed as a real estate appraiser to assume or use a title, designation, or abbreviation likely to create the impression of licensure at a higher classification of real estate appraiser other than the classification at which the person is licensed. It shall be unlawful for a trainee real property appraiser or a registered real property appraiser pursuant to this chapter to describe or refer to any appraisal or other evaluation of real estate located in this state by the term "certified." Except where required by, or where necessary to fully comply with the provisions of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub.L. No. 101-73, as amended, and regulations issued pursuant thereto, an employee of the State of Alabama or any county who has been commissioned by the Alabama Department of Revenue as an Alabama Certified Appraiser, for the purposes of classification only, who is engaged in the performance of official duties as an employee, shall not be subject to this chapter.

(1) A trainee real property appraiser or a state registered real property appraiser under this chapter, shall include the following statement in the "certifications of the appraiser" section of each appraisal or specialized service report: "This assignment was made subject to regulations of the State of Alabama Real Estate Appraisers Board."

(2) A licensed real estate appraiser licensed other than as a trainee real property appraiser or a registered real property appraiser shall include the following statement in the "Certifications of the Appraiser" section of each appraisal or specialized service report: "This assignment was made subject to regulations of the State of Alabama Real Estate Appraisers Board. The undersigned state licensed real estate appraiser has met the requirements of the board that allow this report to be regarded as a 'certified appraisal'."

(c) Except where required by, or where necessary to fully comply with the provisions of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub.L. No. 101-73, as amended, and regulations issued pursuant thereto, this chapter shall not apply to, or preclude, a person who is not a licensed real estate appraiser from performing real estate market analysis, in that person's capacity as a licensed real estate broker or salesperson under this title, and this chapter shall not apply to a licensed real estate broker or salesperson, who in the ordinary course of business, gives an opinion to a potential seller or third party as to the recommended listing price of real estate, or an opinion to a potential purchaser or third party as to the recommended purchase price of real estate; and this chapter shall not apply to any employee, officer, director, partner, or similar person making a valuation, analysis, market study, or other appraisal for his or her employer or principal, including those related to any real estate related financial transactions for or on behalf of a financial institution. The words "employer or principal" as used in this subsection shall include any subsidiary, parent, affiliate, or partner of the direct employer or principal. This chapter shall not require now or in the future any person who lists or otherwise offers property for sale to have an appraisal of that property.

(d) Any person violating any of the provisions of subsections (a) through (c) shall, upon conviction thereof, be guilty of a Class A misdemeanor and shall be punished as prescribed by law.

(e) Notwithstanding anything to the contrary in this section, an individual who is not a licensed appraiser may assist in the preparation of an appraisal if the following conditions are met:

(1) The assistant is under the direct supervision of a licensed individual.

(2) The final appraisal document is approved and signed by an individual who is licensed to perform that

type of appraisal.
(Acts 1990, No. 90-639, p. 1175, § 3; Acts 1994, No. 94-117, p. 128, § 1; Acts 1995, No. 95-308, p. 560, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, rewrote this section.

The 1995 amendment effective July 7, 1995, inserted "or a registered real property appraiser" in the third sentence of the introductory language of subsection (b) and in the first sentence of subdivision (b)(2), inserted "or a state registered real property appraiser" in subdivision (b)(1), and inserted "as" preceding "a trainee" in the first sentence of subdivision (b)(2).

Code Commissioner's Notes

In 1995, the Code Commissioner deleted "officers" and inserted "officer" following "any employee" in subsection (c) for grammatical purposes.

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-14-.10, Real Estate Appraisers Board; Disciplinary Action: Penalty for Practicing Without a License.

19 Ala. Admin. Code 780-X-10-.01 et seq., Real Estate Appraisers Board; License and Certification.

LIBRARY REFERENCES

American Digest System:

Licenses 11(1).

Corpus Juris Secundum:

C.J.S. Architects §§ 2-3, 68; Licenses § 34.

RESEARCH REFERENCES

Treatises and Practice Aids

Alabama Personal Injury and Torts § 14:23, Expert Witnesses -- Admissibility.

Alabama Personal Injury and Torts § 14:28, Expert Witnesses -- Miscellaneous.

§ 34-27A-4. Real Estate Appraisers Board; composition; cause for removal; meetings; compensation.

Historical Notes References

There is hereby established the Alabama Real Estate Appraisers Board. The board shall consist of nine members, two of whom shall be qualified individuals from the general public and seven of whom shall be real property appraisers. No less than two of said nine board members shall be of a minority race. The overall membership of the board shall be inclusive and reflect the racial, gender, geographic, urban/rural, and economic diversity of the state. The Governor shall appoint the members of the Real Estate Appraisers Board. One appraiser member shall be appointed from each United States Congressional District in this state. The term of each board member shall be three years; except that, of the members first appointed, three shall serve three years, three shall serve two years and three shall serve for one year. Notwithstanding the foregoing, and notwithstanding the method of electing a chairperson specified below, if the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, Title XI -- Real Estate Appraisal Reform Amendments and any amendment thereto or regulations issued thereunder -- prohibit the board from consisting of a majority of real property appraisers, or require a different method of selecting a chairperson; then the board shall consist of five or more qualified individuals from the general public and four or fewer real property appraisers, the number of each to be determined by the Governor and to comply with Pub. L. No. 101-73 and regulations thereunder, but not to exceed a total of nine members, and the chairperson shall be selected as required by Pub. L. No. 101-73 and regulations thereunder. In such event, the existing appraiser members with the shortest remaining terms shall vacate their positions as

necessary to achieve the composition of the new board, and if it becomes necessary to vacate a position held by two or more appraiser members with equivalent terms, the Governor shall determine which appraiser member shall vacate the position. Upon expiration of their terms, members of the board shall continue to hold office until the appointment and qualifications of their successors and confirmation by the state Senate. No person shall serve as a member of the board for more than two consecutive terms. The appointing authority may remove a board member for misconduct, incapacity, incompetence, or neglect of duty after the board member so charged has been served with a written statement of charges and has been given an opportunity to be heard. Absence from any three consecutive meetings without cause acceptable to the Governor and the board shall be deemed cause for removal. The public members of the board and spouses of said members shall not be engaged in the practice of real property appraising. The board shall meet at least once each calendar quarter to conduct its business. Places of future meetings shall be decided by the vote of the members at meetings. Written notice shall be given to each member of the time and place of each meeting of the board at least 10 days before the scheduled date of the meetings. The members of the board shall elect a chairperson from among the members to preside at board meetings. A quorum of the board shall consist of five board members with at least four of such members being appraiser members. Each member of the board shall receive compensation to be set by the board in an amount not to exceed three hundred dollars (\$300) per month for attendance of board meetings. In addition, each member of the board shall be entitled to a per diem allowance on board meeting days as authorized by the board, not to exceed the current per diem allowance for state employees. The board shall be independent, separate and distinct from any agency, person, or other state official whose responsibilities include licensing real estate brokers, real estate salesmen, or real estate companies.

(Acts 1990, No. 90-639, p. 1175, § 4; Act 2004-525, p. 1093, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 2004 amendment, effective August 1, 2004, substituted "property appraisers. No less than" for "estate appraisers;"; added the third sentence, substituted "property appraisers," for "estate appraiser," in two places, substituted "misconduct, incapacity, incompetence, or neglect of duty after the board member so charged has been served with a written statement of charges and has been given an opportunity to be heard" for "cause", added the twelfth sentence, substituted "property appraising" for "estate appraising", and inserted "receive compensation to be set by the board in an amount not to exceed three hundred dollars (\$300) per month for attendance of board meetings. In addition, each member of the board shall".

Code Commissioner's Note:

Acts 1992, No. 92-127, § 2 provides: "The existence and functioning of the Alabama Real Estate Appraisers Board, created and functioning pursuant to Sections 34-27A-1 to 34-27A-29, inclusive, Code of Alabama 1975, is continued, and those code sections are expressly preserved."

Acts 1996, No. 96-282, § 2 provides: "The existence and functioning of the Alabama Real Estate Appraisers Board, created and functioning pursuant to Sections 34-27A-1 to 34-27A-29, inclusive, Code of Alabama 1975, is continued, and those code sections are expressly preserved."

Act 2000-720, § 2, provides: "The existence and functioning of the Alabama Real Estate Appraisers Board, created and functioning pursuant to Sections 34-27A-1 to 34-27A-29, inclusive, Code of Alabama 1975, is continued, and those code sections are expressly preserved."

Act 2004-84, § 2 provides: "The existence and functioning of the Alabama Real Estate Appraisers Board, created and functioning pursuant to Sections 34-27A-1 to 34-27A-29, inclusive, Code of Alabama 1975, is continued, and those code sections are expressly preserved."



REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-1-.01 et seq., Real Estate Appraisers Board; Organization, Administration and Procedure.

LIBRARY REFERENCES

American Digest System:

Licenses 21; States 45.

Corpus Juris Secundum:

C.J.S. Architects § 4; Licenses §§ 37-38; States §§ 79-80, 82, 136.

§ 34-27A-5. Rules and regulations; powers and duties of board; immunity from suit. [Historical Notes](#)
[References](#)

(a) The board shall act by a majority vote of its members to adopt administrative rules and regulations necessary, from time to time, to carry out this chapter. Rules and regulations of the board shall be adopted in compliance with the Alabama Administrative Procedure Act, Chapter 22 of Title 41.

(b) The board shall have the following powers and duties:

(1) To receive and process applications for licensure for all classifications of real estate appraisers, including, but not limited to, "trainee real property appraiser," "state registered real property appraiser," "licensed real property appraiser," "certified residential real property appraiser," and "certified general real property appraiser" and any subsequent classifications necessary to conform with the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, and any subsequent regulations issued pursuant thereto.

(2) To establish the administrative procedures for processing applications for licensure for all classifications of real estate appraisers.

(3) To maintain a registry of the names and addresses of people licensed under this chapter, and to furnish the list annually to the federal agency designated by Congress to receive it.

(4) To retain records and all application materials submitted to it.

(5) To establish the examination specifications when an examination is required by administrative rule for each category of licensed real estate appraiser, to provide or procure appropriate examination questions and answers, and to establish procedures for grading examinations.

(6) To approve or disapprove applications for licensure and issue licenses.

(7) To further define by regulation and with respect to each category of licensed real estate appraiser the continuing education requirements for the renewal of a license that will meet the statutory requirements provided in this chapter. No examinations shall be required on the continuing education except to comply with subsection (c) of Section 34-27A-19.

(8) To review and adopt the standards for the development and communication of real estate appraisals provided in this chapter, that are generally accepted within the appraisal profession, and to adopt regulations explaining and interpreting the standards.

(9) To establish administrative procedures for disciplinary proceedings conducted pursuant to this chapter.

(10) To censure, suspend, and revoke licenses pursuant to the disciplinary proceedings provided for in Section 34-27A-21.

(11) To hire the executive director of the board and an executive assistant if needed to fulfill the requirements of this chapter. The executive director shall administer this chapter, and may employ, subject to the approval of the board, other staff members, consultants, or service contractors as are necessary to discharge the board's duties and administer this chapter.

(12) To perform other functions and duties as may be necessary in carrying out this chapter, and to promulgate necessary and appropriate regulations which comply in all respects with requirements of Pub. L. No. 101-73 and any subsequent amendments thereto. Regulations shall be promulgated within 90 days following completion of the schedule for prescription and adoption of regulations by the federal financial institutions regulatory agencies and the resolution trust corporation. Regulations shall be promulgated and take effect by (i) July 1, 1991, unless an extension is granted by the appraisal subcommittee until December 31, 1991, based on written findings as specified by Section 1119(a)(2) of Pub. L. No. 101-73; or (ii) any other date specified by subsequent act of Congress. All regulations issued by the board that govern real estate appraiser licensure and certification shall conform in all respects with the requirements of Pub. L. No. 101-73 and any subsequent amendments thereto and are subject to administrative review under the Administrative Procedure Act and to judicial review by application to the Circuit Court for Montgomery County.

(13) To include in its regulations educational requirements for all classes of licensure of real estate appraisers that comply with this chapter and in all respects comply with the requirements of Pub. L. No. 101-73 and any subsequent amendments thereto or regulations issued thereunder.

(c) The members of the board shall be immune from any civil action or criminal prosecution for initiating or assisting in any lawful investigation of the actions of, or any disciplinary proceeding concerning, a licensed real estate appraiser pursuant to this chapter, or alleged appraisals being made without a license, provided that the action is taken in good faith and in the reasonable belief that the action taken was pursuant to the powers and duties vested in the members of the board under this chapter.

(Acts 1990, No. 90-639, p. 1175, § 5; Acts 1994, No. 94-117, p. 128, § 1; Acts 1995, No. 95-308, p. 560, § 1; Act 2004-525, p. 1093, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, rewrote this section.

The 1995 amendment, effective July 7, 1995, inserted " 'state registered real property appraiser' " in subdivision (b)(1).

The 2004 amendment, effective August 1, 2004, in subsection (b), in subdivision (11) substituted "and an executive assistant if needed to fulfill the requirement of this chapter. The executive assistant" for "who".

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-14-.07, Real Estate Appraisers Board; Disciplinary Action: Discipline.

19 Ala. Admin. Code 780-X-5-.01 et seq., Real Estate Appraisers Board; Curricula Approved by the Board.

LIBRARY REFERENCES

American Digest System:

Licenses  21.

Corpus Juris Secundum:

C.J.S. Architects § 4; Licenses §§ 37-38.

RESEARCH REFERENCES

Treatises and Practice Aids

Alabama Personal Injury and Torts § 14:23, Expert Witnesses -- Admissibility.

Alabama Personal Injury and Torts § 14:28, Expert Witnesses -- Miscellaneous.

FEDERAL ASPECTS

Pub.L. No. 101-73, referred to above, is codified as 12 U.S.C.A. § 3348.

§ 34-27A-6. Fees; payment into Real Estate Appraisers Board Fund. [Historical Notes](#) [References](#)

(a) The board shall have the authority to set and regulate fees necessary for its operation as a self sustaining board which fees shall be adopted in compliance with the Alabama Administrative Procedure Act, Chapter 22 of Title 41.

(b) All fees shall be paid into the Alabama Real Estate Appraisers Board Fund for the purpose of carrying out this chapter.

(Acts 1990, No. 90-639, p. 1175, § 6; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, substituted "which fees shall be adopted in compliance with the Alabama Administrative Procedure Act, Chapter 22 of Title 41" for language regarding the amounts of

license fees in subsection (a); in subsection (b) deleted "the provisions of" preceding "this chapter" and deleted the last sentence regarding approval of board expenses.

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-4-.01 et seq., Real Estate Appraisers Board; Fees.

LIBRARY REFERENCES

American Digest System:

Licenses  33.

Corpus Juris Secundum:

C.J.S. Licenses § 71.

§ 34-27A-7. Applications for licensure and examination; fees; pledge; conditions. [Historical Notes](#) [References](#)

(a) Applications for original license, renewal license, and examinations shall be made in writing to the board on forms approved by the board.

(b) Appropriate fees, as fixed by the board pursuant to Section 34-27A-6, shall accompany all applications for original license, renewal license, and examination.

(c) At the time of filing an application for license for any real property appraiser classification, each applicant shall sign a pledge to comply with the standards set forth in this chapter and state that he or she understands the types of misconduct for which disciplinary proceedings may be initiated against a licensed real property appraiser, as set forth in this chapter.

(d) A license for any real estate appraiser classification shall be issued only to, and held only by a person who meets all of the requirements of subdivisions (1) through (7) below and either subdivision (8) or (9) below:

(1) Who is at least 19 years old and has a high school diploma or equivalent.

(2) Who is a citizen of the United States or is an alien with permanent resident status.

(3) Who, if a nonresident, agrees to sign an affidavit stating the following and in the following terms:

"I, as a nonresident applicant for an appraisal license and as a licensee, agree that the State of Alabama Real Estate Appraisers Board shall have jurisdiction over me in any and all of my real estate related activities the same as if I were an Alabama resident licensee. I agree to be subject to investigations and disciplinary actions the same as Alabama resident licensees. Further, I agree that civil actions may be commenced against me in any court of competent jurisdiction in any court of the State of Alabama.

"I appoint the Executive Director of the State of Alabama Real Estate Appraisers Board as my agent upon whom all disciplinary, judicial, or other process or legal notices may be served. I agree that service upon my agent shall be the same as service upon me and that certified copies of this appointment shall be deemed sufficient evidence thereof and shall be admitted into evidence with the same force and effect as the original might be admitted. I agree that any lawful process against me which is served upon my agent shall be of the same legal force and validity as if personally served upon me and that this appointment shall continue in effect for as long as I have any liability as an appraiser remaining in the State of Alabama. I understand that my agent shall, within a reasonable time after service upon him or her, mail a copy of same by certified mail, return receipt requested, to me, at my last known business address.

"I agree that I am bound by all the provisions of the State of Alabama Real Estate Appraisers Act.

(10)6D__

Legal Signature of Applicant"

(4) Who is trustworthy and competent to transact the business of an appraiser in a manner that safeguards the interests of the public.

(5) Whose application or license has not been rejected or revoked in any state within two years prior to date of application on any grounds other than failure to pass a written examination.

(6) Whose membership in any nationally recognized appraisal organization has not been revoked within two years under ethics procedures of the appraisal organization. Membership in an organization is not required

by this chapter.

(7) Who is of good moral character.

(8) Who on applying for a license before July 1, 1991, provides evidence to the board of possessing basic appraisal skills by showing to the board that for a period of 24 months prior to application for an appraisal license, has operated within the State of Alabama, as a real estate appraiser or review appraiser or has been employed as a permanent employee, by a company, lending institution, or governmental agency located within the State of Alabama, that appraises real estate or reviews real estate appraisals and produces evidence to the board that he or she possesses those qualifications listed in Section 34-27A-10(a)(1) through (a)(7).

(9) Who on applying for a license after January 1, 1991, provides evidence of having passed within 24 months prior to application a Uniform Standards of Professional Appraisal Practice course presented by an approved institution or appraisal organization, provides evidence of having successfully completed the required education from an approved course provider for the real estate appraiser classification for which he or she is applying, and demonstrates basic appraisal skills by achieving a passing grade on the test requirements of Section 34-27A-10.

(Acts 1990, No. 90-639, p. 1175, § 7; Acts 1994, No. 94-117, p. 128, § 1; Act 2004-525, p. 1093, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, inserted "for any real estate appraiser classification" following "license" in subsection (c); in the first paragraph of subsection (d) substituted "any" for "licensed," inserted "classification" following "appraiser," inserted "all of" preceding "the requirements," in subdivision (d)(6) substituted "Membership" for "provided, however, membership"; in subdivision (d)(8) inserted "uniform" following "application," inserted "provides evidence of..is applying" following "appraisal organization" and substituted "demonstrates" for "who can demonstrate"; and made nonsubstantive changes.

The 2004 amendment, effective August 1, 2004, in subsection (c) substituted "property" for "estate" in two places; and in subsection (d) substituted "or (9)" for "(7) or", in subdivision (6) inserted "within two years", redesignated subdivisions (7) and (8) as subdivisions (8) and (9), respectively, and added subdivision (7).

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-3-.01 et seq., Real Estate Appraisers Board; Applications for Licensure and Certification.

19 Ala. Admin. Code 780-X-4-.01 et seq., Real Estate Appraisers Board; Fees.

19 Ala. Admin. Code 780-X-7-.01 et seq., Real Estate Appraisers Board; References.

19 Ala. Admin. Code 780-X-8-.01 et seq.; Real Estate Appraisers Board; Examinations: Eligibility for Examination.

19 Ala. Admin. Code 780-X-13-.01, Real Estate Appraisers Board; Professional Conduct: Code of Ethics.

19 Ala. Admin. Code 780-X-16-.01, Real Estate Appraisers Board; Forms: Application for Licensure.

LIBRARY REFERENCES

American Digest System:

Licenses  20.

Corpus Juris Secundum:

C.J.S. Architects §§ 4, 7; Licenses §§ 39-41.

§ 34-27A-8. Application for certification and examination; fees; pledge. Repealed by Acts 1994, No. 94-117, p. 128, § 2, as amended effective February 25, 1994. § 34-27A-9. Classes of appraisers. [Historical Notes](#)

References

(a) There shall be five classes of real estate appraisers licensed by the board. The classes may be revised or other classes added if necessary to conform in all respects with the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub.L. No. 101-73 (FIRREA), and any subsequent amendments and regulations issued pursuant thereto. The board shall make any revisions to the class titles or requirements for licensure by rules adopted in compliance with the Alabama Administrative Procedure Act, Chapter 22 of Title 41, and Section 34-27A-5. All persons in all classes licensed by the board are subject to the Competency Provision of the Uniform Standards of Professional Appraisal Practice.

(1) The "trainee real property appraiser" classification applies to a person whose scope of practice is the appraisal of those properties which the supervising appraiser is permitted to appraise.

(2) The "state registered real property appraisers" classification applies to those individuals licensed by the board as being qualified to perform real estate appraisals on nonfederally-related properties including any of the following:

a. Complex appraisals of 1 to 4 unit nonfederally-related residential properties having a transaction value of two hundred fifty thousand dollars (\$250,000) or less and other nonresidential properties having a transaction value of two hundred fifty thousand dollars (\$250,000) or less.

b. Noncomplex appraisals of 1 to 4 unit nonfederally-related residential properties having a transaction value of one million dollars (\$1,000,000) or less.

c. This classification does not include the appraisal of subdivisions wherein a development analysis or appraisal is necessary and utilized.

d. All state registered real property appraisers shall comply with the Competency Provision of the Uniform Standards of Professional Appraisal Practice.

(3) The "licensed real property appraiser" classification applies to the appraisal of non-complex, one to four residential units having a transaction value less than one million dollars (\$1,000,000) and other types of real estate including complex, one to four residential units having a transaction value less than two hundred fifty thousand dollars (\$250,000).

(4) The "certified residential real property appraiser" classification applies to the appraisal of one to four residential units without regard to transaction value or complexity and appraisals of other types of real estate having a transaction value of two hundred fifty thousand dollars (\$250,000) or less.

(5) The "certified general real property appraiser" classification applies to the appraisal of all types of real property regardless of complexity or transaction value.

(b) The application for original licensure, renewal licensure, and examination shall specify the classification of licensure being applied for and the licensure previously granted.

(c) A holder of a license issued prior to June 1, 1994, under Section 34-27A-7 who does not submit proof of required appraisal education and experience upon renewal shall be issued a license for the appraiser classification for which he or she meets the requirements and shall not be required to take or pass a written examination for the issuance of a registered real property appraiser license pursuant to this section.

(Acts 1990, No. 90-639, p. 1175, § 9; Acts 1994, No. 94-117, p. 128, § 1; Acts 1995, No. 95-308, p. 560, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, rewrote subsection (a); substituted "licensure" for "certification" throughout subsection (b); added subsection (c); and made nonsubstantive changes.

The 1995 amendment, effective July 7, 1995, in subsection (a), in the introductory language, substituted "five classes" for "four classes" in the first sentence, and substituted "subject to" for "bound by" in the last sentence, and added subdivision (2); in subsection (c), added the language beginning "and shall not be required"; and made nonsubstantive changes.


REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-9-.01, Real Estate Appraisers Board; Classification of Real Estate Appraisers.

LIBRARY REFERENCES

American Digest System:

Licenses  25, 36.

Corpus Juris Secundum:

C.J.S. Licenses §§ 41, 45-48.

RESEARCH REFERENCES

Treatises and Practice Aids

Alabama Personal Injury and Torts § 14:23, Expert Witnesses -- Admissibility.

Alabama Personal Injury and Torts § 14:28, Expert Witnesses -- Miscellaneous.

§ 34-27A-10. Written examinations for licensure. [Historical Notes](#) [References](#)

(a) Except as provided in Section 34-27A-7, an original license as a licensed real estate appraiser shall not be issued to any person who has not demonstrated through a written examination process that he or she possesses all of the following:

(1) Appropriate knowledge of technical terms commonly used in or related to real estate appraising, appraisal report writing, and economic concepts applicable to real estate.

(2) Appropriate understanding of the principles of land economics, real estate appraisal processes, and of problems likely to be encountered in gathering, interpreting, and processing the data in carrying out appraisal disciplines.

(3) Appropriate understanding of the standards for the development and communication of real estate appraisals as provided in this chapter.

(4) Appropriate knowledge of the theories of depreciation, cost estimating, methods of capitalization, and the mathematics of real estate appraisal that are appropriate for the classification of license applied for.

(5) Knowledge of other principles and procedures as may be appropriate for appraisal assignments for the classification of license applied for.

(6) Basic understanding of real estate law.

(7) Understanding of the types of misconduct for which disciplinary proceedings may be initiated against a licensed real estate appraiser, as set forth in this chapter.

(b) Written examinations shall be consistent with the uniform state certification examination.

(c) The board shall adopt subsequent examination requirements as required by or when necessary to fully comply with the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub.L. No. 101-73 (FIRREA), and any subsequent amendments and regulations issued pursuant thereto.

(Acts 1990, No. 90-639, p. 1175, § 10; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subsection (a), in the introductory language substituted "Except as provided in Section 34-27A-7, an" for "An," substituted "person" for "persons except as provided for in Section 34-27A-7(d)," and inserted "all of" following "possesses"; substituted "Appropriate" for "Basic" in subdivisions (a)(1), (a)(2), (a)(3) and (a)(4); in subdivision (a)(4) inserted "methods of capitalization" following "cost estimating," and substituted "the classification of license applied for" for "non-certified appraisal assignments"; in subdivision (a)(5) deleted "non-certified" preceding "appraisal" and added "for the classification of license applied for" to the end; rewrote subsection (b); added subsection (c); and made nonsubstantive changes.


REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-8-.01 et seq.; Real Estate Appraisers Board; Examinations.

LIBRARY REFERENCES

American Digest System:

Licenses  20.

Corpus Juris Secundum:

C.J.S. Architects §§ 4, 7; Licenses §§ 39-41.

RESEARCH REFERENCES

Treatises and Practice Aids

Alabama Personal Injury and Torts § 14:23, Expert Witnesses -- Admissibility.

Alabama Personal Injury and Torts § 14:28, Expert Witnesses -- Miscellaneous.

§ 34-27A-11. Education and experience requirements for licensure. [Historical Notes](#) [References](#)

(a) *Certified general real property appraiser classification.* As a prerequisite to taking the examination for licensure as a certified general real property appraiser, an applicant shall present evidence satisfactory to the board that he or she has successfully completed not less than 165 classroom hours of courses in subjects related to real estate appraisal from a nationally recognized appraisal organization or college or university approved by the board, plus 15 classroom hours related to the uniform standards of professional appraisal practice and this chapter and has 30 months' experience during the last five years as an appraiser with a minimum of 300 points of appraisal experience. If requested, experience documentation in the form of reports or file memoranda shall be available to support the experience claim.

(b) *Certified residential real property appraiser classification.* As a prerequisite to taking the examination for licensure as a certified residential real property appraiser, an applicant shall present evidence satisfactory to the board that he or she has successfully completed not less than 120 classroom hours of courses in subjects related to real estate appraisal from a nationally recognized appraisal organization or a college or university approved by the board, including 15 classroom hours related to Uniform Standards of Professional Appraisal Practice and the provisions of this chapter and has 24 months' experience during the last five years as an appraiser with a minimum of 250 points of appraisal experience. If requested, experience documentation in the form of reports or file memoranda shall be available to support the experience claim.

(c) *Licensed real property appraiser classification.* As a prerequisite to taking the examination for licensure as a licensed real property appraiser, an applicant shall present evidence satisfactory to the board that he or she has successfully completed not less than 90 classroom hours of board approved courses in subjects related to real estate appraisal which shall include not less than 15 classroom hours of the Uniform Standards of Professional Appraisal Practice. The individual shall have experience during two of the last five years with a minimum of 200 points of appraisal experience. If requested, experience documentation in the form of reports or file memoranda shall be available to support the experience claim.

(d) *State registered real property appraiser classification.* As a prerequisite to being approved as a state registered real property appraiser, an applicant shall present evidence satisfactory to the board that he or she has successfully completed 75 classroom hours of courses in subjects related to real estate appraisal which shall include not less than 15 classroom hours of the Uniform Standards of Professional Appraisal Practice (USPAP). The individual shall furnish the board with a log sheet in support of the 100 points appraisal experience. The board may select appraisal reports for review for compliance with the Uniform Standards of Professional Appraisal Practice (USPAP). Upon the approval of the board, the appraiser does not have to have a supervising appraiser on nonfederally related transactions.

(e) *Trainee real property appraiser classification.* As a prerequisite to taking the examination for a trainee real property appraiser, an applicant shall present evidence satisfactory to the board that he or she has successfully completed 75 classroom hours of courses in subjects related to real estate appraisal which shall include not less than 15 classroom hours of the Uniform Standards of Professional Appraisal Practice. The trainee appraiser shall be subject to direct supervision by a supervising appraiser who shall be in a certified classification. The supervisor shall be responsible for the direct supervision of the trainee appraiser and both shall comply with the board's administrative rules regarding record keeping.

(f) The board shall amend the education and experience requirements by administrative rule for all appraiser classifications as required by or where necessary to fully comply with the provisions of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73 (FIRREA), and any subsequent amendments and regulations issued pursuant thereto. Administrative rules shall be adopted in compliance with the Alabama Administrative Procedure Act, Chapter 22 of Title 41.

(Acts 1990, No. 90-639, p. 1175, § 11; Acts 1994, No. 94-117, p. 128, § 1; Acts 1995, No. 95-308, p. 560, § 1; Act 2004-525, p. 1093, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subsections (a) and (b) substituted "licensure as a" for "certification as a state," substituted "real property" for "real estate," deleted language regarding educational requirements, inserted "appraisal" following "standards of professional," inserted "has" preceding "two years," and substituted "with a minimum of 2000 hours of appraisal experience" for "the applicant may take the examination as required by this chapter"; in subsection (a) substituted "certified general real property appraiser classification" for "general classification" and inserted "the uniform" following "related to"; in subsection (b) substituted "certified residential real property appraiser classification" for "residential classification" substituted "120" for "60," and inserted "uniform" preceding "standards of professional"; added subsections (c), (d) and (e); and made nonsubstantive changes.

The 1995 amendment, effective July 7, 1995, added subsection (d), and made nonsubstantive changes.

The 2004 amendment, effective August 1, 2004, in subsection (a) substituted "30 months' experience during" for "two years experience out of", substituted "300 points" for "2,000 hours", and added the final sentence; in subsection (b) substituted "including" for "plus", substituted "24 months' " for "two years", substituted "250 points" for "2,000 hours", and added the final sentence; in subsection (c) substituted "90" for "75", substituted "not less than 15 classroom hours" for "coverage", substituted "experience during two of" for "two years experience during", and substituted "200 points" for "2,000 hours"; in subsection (d) substituted "100 points" for "1,000 hours", and substituted "nonfederally related" for "nonfederally-related"; and in subsection (e) substituted "taking the examination for" for "being approved as", and substituted "in a certified classification" for "licensed or certified".

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-5-.01 et seq., Real Estate Appraisers Board; Curricula Approved by the Board.

19 Ala. Admin. Code 780-X-6-.01 et seq., Real Estate Appraisers Board; Experience.

19 Ala. Admin. Code 780-X-8-.01 et seq.; Real Estate Appraisers Board; Examinations: Eligibility for Examination.

LIBRARY REFERENCES

American Digest System:

Licenses  20.

Corpus Juris Secundum:

C.J.S. Architects §§ 4, 7; Licenses §§ 39-41.

RESEARCH REFERENCES

Treatises and Practice Aids

Alabama Personal Injury and Torts § 14:23, Expert Witnesses -- Admissibility.

Alabama Personal Injury and Torts § 14:28, Expert Witnesses -- Miscellaneous.

§ 34-27A-11.1. Reclassification of licensed real estate appraisers as registered real property appraisers.

[Historical Notes](#) [References](#)

Existing appraisers who are licensed as licensed real estate appraisers (ALs) may reclassify into the registered real property appraiser classification by submitting a log of 1,000 hours. The board may select three reports for review for compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).

(Acts 1995, No. 95-308, p. 560, § 2.)

HISTORICAL NOTES

HISTORY


Effective date:

The act which added this section became effective July 7, 1995.

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  20.

Corpus Juris Secundum:

C.J.S. Architects §§ 4, 7; Licenses §§ 39-41.

§ 34-27A-12. Written reports, etc., to be furnished by applicant. [Historical Notes](#) [References](#)

(a) An original certificate for any classification as a licensed real estate appraiser shall not be issued to any person who does not possess the required experience, if any, in real property appraisal supported by adequate written reports, file memoranda, or other evidence satisfactory to the board.

(b) Each applicant for licensure shall furnish, under oath, a detailed listing of the real estate appraisal reports or file memoranda for each year for which experience is claimed by the applicant. Upon request, the applicant shall make available to the board for examination appraisal reports or records which the applicant has prepared. At all times the confidential relationship between the appraiser and the client shall be maintained.

(Acts 1990, No. 90-639, p. 1175, § 12; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subsection (a) inserted "for any classification" following "certificate," substituted "licensed" for "state certified," substituted "the required" for "two years of," and inserted "if any" following "experience"; in subsection (b) in the first sentence, substituted "licensure" for "certification," substituted "or" for "of," in the second sentence deleted "a sample or demonstration" preceding "appraisal reports," inserted "or records" following "appraisal reports," in the third sentence substituted "At" for "Provided, however, at"; and made nonsubstantive changes.

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  20.

Corpus Juris Secundum:

C.J.S. Architects §§ 4, 7; Licenses §§ 39-41.

§ 34-27A-13. Term of license; fees. [Historical Notes](#) [References](#)

(a) Except for the initial license period, the term of a license issued under this chapter shall be two years expiring on September 30, 1993, and every two years thereafter. The expiration date shall appear on the license and no other notice of its expiration need be given to its holder.

(b) License fees payable under Section 34-27A-6, shall be payable on a yearly basis. The initial license period shall be from the date of licensure through September 30 of the then current fiscal year.

(Acts 1990, No. 90-639, p. 1175, § 13; Acts 1992, No. 92-127, p. 233, § 3; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subsection (a) substituted "term" for "terms," and twice deleted "or certificate" following "license"; in subsection (b) substituted "The" for "during the term of license or certification, except that the," substituted "the date of licensure" for "January 1, 1991," substituted "September 30 of the then current fiscal year" for "September 30, 1991"; and made nonsubstantive changes.

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-4-.01 et seq., Real Estate Appraisers Board; Fees.

19 Ala. Admin. Code 780-X-12-.01 et seq., Real Estate Appraisers Board; Expirations, Renewals and Continuing Education.

LIBRARY REFERENCES

American Digest System:

Licenses  23, 32.

Corpus Juris Secundum:

C.J.S. Licenses §§ 44, 68-69.

§ 34-27A-14. Nonresidents; consent to service of process; eligibility for licensure; temporary recognition.

[Historical Notes](#) [References](#)

(a) Every applicant for licensure under this chapter, who is not a resident of this state, shall submit with the application an irrevocable consent that service of process to the executive director of the board as provided in Section 34-27A-7(d)(3), if, in an action against the applicant in a court of this state arising out of the applicant's activities as a licensed real estate appraiser, the plaintiff cannot, in the exercise of due diligence, effect personal services upon the applicant.

(b) A nonresident of this state who has complied with subsection (a) of this section may obtain a license as a licensed real estate appraiser by conforming to all of the provisions of this chapter relating to the classification of real estate appraiser for which the applicant is applying.

(c) The board shall recognize on a temporary basis the certification or license of an appraiser issued by another state if (i) the appraiser's business is of a temporary nature, and (ii) the appraiser registers with the board.

(Acts 1990, No. 90-639, p. 1175, § 14; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subsection (a) substituted "licensure" for "license or certification," and deleted "or state certified real estate appraiser" preceding "the plaintiff cannot"; in subsection (b) deleted "the provisions of" preceding "subsection (a)," substituted "license" for "certificate," substituted "licensed" for "state certified," substituted "the classification of" for "state certified," and substituted "appraiser for which the applicant is applying" for "appraisers"; deleted "for a federally related transaction" following "another state" in subsection (c); and made nonsubstantive changes.

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-11-.01 et seq., Real Estate Appraisers Board; Temporary Permits.

LIBRARY REFERENCES

American Digest System:

Licenses  20.

Corpus Juris Secundum:

C.J.S. Architects §§ 4, 7; Licenses §§ 39-41.

§ 34-27A-15. Renewal license -- Time for application and payment of fee; evidence of continuing education; extension; late renewal. [Historical Notes](#) [References](#)

(a)(1) To obtain a renewal license for any real estate appraiser classification, the holder of a current, valid license shall make application and pay the prescribed fee to the board between September 1 and September 30, and shall be delinquent after September 30. With the application for renewal, the licensed real estate appraiser shall present evidence in the form prescribed by the board of having completed the continuing education requirements for renewal specified by the board.

(2) If the board determines that an applicant has failed to meet the requirements for renewal of a license through mistake, misunderstanding, or circumstances beyond the control of the applicant, the board may extend the term of the license for a period not to exceed six months, upon payment by the applicant of a prescribed fee set by the board for the extension.

(3) If the applicant satisfies the requirements for renewal during the extended term of license, the beginning date of the new renewal license shall be October 1.

(b) If a person fails to renew a license for any classification of real estate appraiser prior to its expiration or within a period of extension granted by the board pursuant to this chapter, the person may obtain a renewal license by satisfying all of the requirements for renewal and by the payment of a late renewal fee as set by the board.

(Acts 1990, No. 90-639, p. 1175, § 15; Acts 1992, No. 92-127, p. 233, § 3; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subdivision (a)(1) substituted "any real estate appraiser classification" for "real estate appraisal or certificate as a State Certified Real Estate Appraiser," deleted "in the year of expiration" following "September 30," deleted "or State Certified Real Estate Appraiser" preceding "shall present," and substituted "by the board" for "in this chapter"; in subdivision (a)(2) substituted "a license through" for "license or certification through" and substituted "license" for "certificate"; in subdivision (a)(3) and subsection (b) deleted "or certificate" following "renewal license"; in subdivision (a)(3) deleted "or certification" preceding "the beginning"; in subsection (b) substituted "any classification of" for "real estate appraisal or certificate as a state certified"; and made nonsubstantive changes.

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-12-.01 et seq., Real Estate Appraisers Board; Expirations, Renewals and Continuing Education.

LIBRARY REFERENCES

American Digest System:

Licenses  22.

Corpus Juris Secundum:

C.J.S. Architects § 9; Licenses § 43.

§ 34-27A-16. Principal place of business; notice of change; notice of residence address. [Historical Notes](#) [References](#)

(a) The principal place of business referred to in this chapter shall be located in the State of Alabama and each licensed real estate appraiser shall advise the board of the address of his or her principal place of business and all other addresses at which he or she is currently engaged in the business of preparing real property appraisal reports.

(b) Whenever a licensed real estate appraiser changes a place of business, he or she shall immediately give written notification of the change to the board.

(c) Every licensed real estate appraiser shall notify the board of his or her current resident address. Residence addresses on file with the board are exempt from disclosure as public records.

(Acts 1990, No. 90-639, p. 1175, § 16; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, deleted "or state certified real estate appraiser" following "real estate appraiser" throughout this section; and in subsection (b) deleted "and apply for an amended license or certificate and pay such fee as prescribed by the board."

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  25.

Corpus Juris Secundum:

C.J.S. Licenses §§ 41, 45-46.

§ 34-27A-17. Signatures on license; display of license number. [Historical Notes](#) [References](#)

(a) A license issued under this chapter shall bear the signature or facsimile signature of the executive director of the board and a license number assigned by the board.

(b) Each licensed real estate appraiser shall place his or her license number adjacent to or immediately below the title of his or her classification when used in an appraisal report or in a contract or other instrument used by the license holder in conducting real property appraisal activities.

(Acts 1990, No. 90-639, p. 1175, § 17; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subsection (a) twice deleted "or certificate" following "a license," deleted "authority of" following "issued under," and substituted "executive director" for "members"; in subsection (b) twice substituted "license" for "certificate," substituted "licensed" for "state certified," and substituted "of his or her classification" for "'state certified residential real estate appraiser' or 'state certified general real estate appraiser' "; and made nonsubstantive changes.

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  23, 25.

Corpus Juris Secundum:

C.J.S. Licenses §§ 41, 44-46.

§ 34-27A-18. Licensure restrictions. [Historical Notes](#) [References](#)

(a) The term "licensed real estate appraiser" or "certified real estate appraiser" may only be used to refer to individuals who hold the license and may not be used following or immediately in connection with the name or signature of a firm, partnership, corporation, or group; or in a manner that it might be interpreted as referring to a firm, partnership, corporation, group, or anyone other than an individual holder of the license.

(b) No license shall be issued under this chapter to a corporation, partnership, firm, or group. This shall not be construed to prevent a licensed real estate appraiser from signing an appraisal report on behalf of a corporation, partnership, firm, or group practice licensed to appraise real estate under this chapter.

(c) Authority to transact business as a licensed real estate appraiser shall be restricted to the person named in the license and shall not inure to the benefit of any other person.

(Acts 1990, No. 90-639, p. 1175, § 18; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subsection (a) twice substituted "license" for "certificate" and substituted " 'licensed real estate appraiser' or" for " state"; in subsection (b), substituted "license" for " 'state certified real estate appraiser' certificate," twice deleted "the provisions of" preceding "this chapter," substituted "licensed" for "state certified"; and made nonsubstantive changes.

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  20.

Corpus Juris Secundum:

C.J.S. Architects §§ 4, 7; Licenses §§ 39-41.

§ 34-27A-19. Continuing education requirements; regulations; requirement for reinstatement.

[Historical Notes](#) [References](#)

(a) As a prerequisite to renewal of a license to appraise real estate, the licensed real estate appraiser, licensed for any classification under this chapter, shall present evidence satisfactory to the board of having met the continuing education requirements of this chapter.

(b) The board shall set, by administrative rule, the continuing education requirements for renewal of licenses for all classifications of real estate appraisers as required by or when necessary to fully comply with the provisions of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub.L. No. 101-73 (FIRREA), and any subsequent amendments and regulations issued pursuant thereto.

(c) As a part of the continuing education requirements prescribed by the board in accordance with subsection (b), each licensed real estate appraiser shall be required to take and successfully complete at least once every six years a 15-hour course in current Uniform Standards of Professional Appraisal Practice as published by the Appraisal Standards Board of the Appraisal Foundation.

(d) In lieu of meeting the requirements of subsection (b) an applicant for renewal may satisfy all or part of the requirements by presenting evidence of either of the following:

(1) Completion of an educational program of study determined by the board to be equivalent, for continuing education purposes, to courses approved by the board pursuant to subsection (b).

(2) Participation other than as a student in educational processes and programs approved by the board which relate to real property appraisal theory, practices, or techniques, including, but not necessarily limited to, teaching, program development, and preparation of textbooks, monographs, articles, and other instructional materials.

(e) The board shall adopt regulations for implementation of this chapter to assure that persons renewing their licenses have current knowledge of real property appraisal theories, practices, and techniques which will provide a high degree of service and protection to those members of the public with whom they deal in a professional relationship under authority of this chapter. The regulations shall prescribe all of the following:

(1) Policies, and procedures, and fees for obtaining board approval of courses of instruction pursuant to subsection (b).

(2) Standards, policies, and procedures to be applied by the board in evaluating applicant's claims of equivalency in accordance with subsection (c).

(3) Standards, monitoring methods, and systems for recording attendance to be employed by course sponsors as a prerequisite to board approval of courses for credit.

(f) In adopting regulations pursuant to subdivision 1 of subsection (e), the board may give favorable consideration to courses of instruction, seminars, and other real property appraisal education courses or programs previously or hereafter developed by or under the auspices of professional appraisal organizations and utilized by those associations for purposes of designation, or indicating compliance with the continuing education requirements of the organizations.

(g) No amendment or repeal of a regulation adopted by the board pursuant to this section shall operate to deprive a licensed real estate appraiser of credit toward renewal of license for any course of instruction completed by the applicant prior to the amendment or repeal of the regulation which would have qualified for continuing education credit under the regulation as it existed prior to the repeal or amendment.

(h) On or after October 1, 1991, a license to appraise real estate that has been revoked as a result of disciplinary action by the board shall not be reinstated unless the applicant presents evidence of completion of the continuing education required by this chapter. This requirement of evidence of continuing education shall not be imposed upon an applicant for reinstatement who has been required to successfully complete the examination for certified real estate appraiser as a condition to reinstatement of a license.

(Acts 1990, No. 90-639, p. 1175, § 19; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subsection (a) inserted "for any classification"; rewrote subsections (b) and (c); in the introductory language of subsection (d) inserted "either of"; in the introductory language of subsection (e) deleted "the provisions of" preceding "this chapter," substituted "assure" for "the end of assuring," deleted "or certifications as state certified real estate appraisers" preceding "have current knowledge," and inserted "all of"; in subdivision (e)(1) inserted "and fees"; in subsection (g) deleted "or a state certified real estate appraiser" preceding "of credit," and deleted "or certification" following "license"; in subsection (h) deleted "or certification as a state certified real estate appraiser," deleted "state" following "examination for," and substituted "a license" for "certification"; and made nonsubstantive changes.

Code Commissioner's Notes

In 1994, the Code Commissioner substituted "subsection (e)" for "paragraph (e)" near the beginning of subsection (f); this change was made so that the reference conforms to proper code hierarchy.


REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-12-.01 et seq., Real Estate Appraisers Board; Expirations, Renewals and Continuing Education.

LIBRARY REFERENCES

American Digest System:

Licenses  22.

Corpus Juris Secundum:

C.J.S. Architects § 9; Licenses § 43.

§ 34-27A-20. Revocation or suspension of license -- Grounds; disciplinary proceedings; administrative fines.

Historical Notes References

(a) The board may investigate the actions of a licensed real property appraiser on complaint or on its own motion, and may revoke or suspend the license, levy fines as provided in subsection (c), require completion of education courses, or discipline by public or private reprimand a licensed real property appraiser for any of the following acts or omissions:

(1) Procuring or attempting to procure a license or certificate pursuant to this chapter by knowingly making a false statement, submitting false information, refusing to provide complete information in response to a question in an application for a license, or through any form of fraud or misrepresentation.

(2) Failing to meet the minimum qualifications established by this chapter.

(3) Paying money other than authorized by this chapter to any member or employee of the board to procure a license under this chapter.

(4) A conviction, including a conviction based upon a plea of guilty or nolo contendere, of a crime which is substantially related to the qualifications, functions, and duties of a person developing real estate appraisals and communicating real estate appraisals to others, or a conviction involving moral turpitude.

(5) An act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit the certificate holder or another person, or with the intent to substantially injure another person.

(6) Violation of any of the standards for the development or communication of real estate appraisals as provided in this section.

(7) Failure or refusal without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal, in preparing an appraisal report, or in communicating an appraisal.

(8) Negligence or incompetence in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal.

(9) Willfully disregarding or violating this chapter or the regulations of the board for the administration and enforcement of this chapter.

(10) Accepting an appraisal assignment, as defined in Section 34-27A-24, when the employment itself is contingent upon the appraiser reporting a predetermined estimate, analysis, or opinion, or where the fee to be paid is contingent upon the opinion, conclusions, or valuation reached, or upon the consequences resulting from the appraisal assignment.

(11) Violating the confidential nature of governmental records to which he or she gained access through employment or engagement as an appraiser by a governmental agency.

(12) Entry of a final civil judgment against the person on grounds of fraud, misrepresentation, or deceit in the making of any appraisal of real property.

(13) Presenting to the board, as payment for a fee or fine, a check that is returned unpaid.

(14) Failing to keep for at least five years, a complete record or file of appraisal or specialized assignments regulated under this chapter, in accordance with Uniform Standards of Professional Appraisal Practice and Section 34-27A-26.

(15) Failing within a reasonable time to provide information or providing false information in response to a request by the board during an investigation or after a formal complaint has been filed.

(16) Failing to pay by required deadlines, fees or fines levied by the board.

(17) Failing to notify the board within a reasonable time of the filing of any civil action related to the appraisal practice or of any criminal prosecution filed against the appraiser.

(b) In a disciplinary proceeding based upon a civil judgment, the real property appraiser shall be afforded an opportunity to present matters in mitigation and extenuation, but may not collaterally attack the civil judgment.

(c) In addition to the disciplinary powers granted in subsection (a), the board may levy administrative fines for serious violations of this chapter or the rules and regulations of the board of not more than \$500.00 for each violation.

(Acts 1990, No. 90-639, p. 1175, § 20; Acts 1992, No. 92-127, p. 233, § 3; Acts 1994, No. 94-117, p. 128, § 1; Act 2004-525, p. 1093, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, deleted "or state certified real estate appraiser" following "appraiser" twice in the introductory language of subsection (a) and in subsection (b); in the introductory language of subsection (a) deleted "or certificate" following "license"; substituted "a license," for "license or certification" in subdivision (a)(1); substituted "license" for "certificate" in subsection (3); deleted "any of the provisions of" following "violating" in subdivision (a)(9); in subdivision (a)(14) substituted "five" for "three" and added language beginning "in accordance with"; and made nonsubstantive changes.

The 2004 amendment, effective August 1, 2004, in subsection (a) substituted "property appraiser" for "estate appraiser" in two places, inserted "require completion of education courses," in subdivision (15) substituted "or providing false information in response to a request" for "requested", and added subdivision (17); and in subsection (b) substituted "real property" for "licensed real estate".

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-14-.01 et seq., Real Estate Appraisers Board; Disciplinary Action.

LIBRARY REFERENCES

American Digest System:

Licenses  38.

Corpus Juris Secundum:

C.J.S. Architects § 10; Licenses §§ 48, 50-63.

§ 34-27A-21. Revocation or suspension of license or certificate --Notice; representation; subpoena and deposition power. [References](#)

(a) Before suspending or revoking any license or certification, the board shall notify the appraiser in writing of any charges made at least 20 days prior to the date set for the hearing and shall afford him or her an opportunity to be heard in person or by counsel.

(b) The written notice may be served either personally or sent by registered or certified mail to the last known business address of the appraiser.

(c) The board shall have the power to subpoena and issue subpoenas duces tecum and to bring before it any person in this state, and to take testimony by deposition, in the same manner as prescribed by law in judicial proceedings in the courts of this state.

(Acts 1990, No. 90-639, p. 1175, § 21.)


REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-14-.01 et seq., Real Estate Appraisers Board; Disciplinary Action.

LIBRARY REFERENCES

American Digest System:

Licenses  38.

Corpus Juris Secundum:

§ 34-27A-22. Revocation or suspension of license -- Hearing; findings; judicial review as to questions of law.

[Historical Notes](#) [References](#)

(a) The hearing on the charges shall be at a time and place prescribed by the board and in accordance with this chapter.

(b) If the board determines that a licensed real estate appraiser is guilty of a violation of this chapter, it shall prepare a finding of fact and recommend that the appraiser be reprimanded or that his or her license be suspended or revoked. The decision and order of the board shall be final.

(c) Any final decision or order of the board shall be reviewable by a court of appropriate jurisdiction as to the questions of law only. Any application for review made by an aggrieved party shall be filed within 30 days after the final decision or order of the board.

(d) If an application for review of a final decision or order of the board is filed, the case shall be fixed for trial within 30 days from the filing of an answer by the board. If the court finds that the board has regularly pursued its authority and has not acted arbitrarily, it shall confirm the decision or order. Decisions of the board regarding whether to license or certify, to discipline, or to de-license or de-certify appraisers shall be final administrative action subject only to appropriate judicial review.

(Acts 1990, No. 90-639, p. 1175, § 22; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, deleted "the provisions of" preceding "this chapter" in subsection (a); in subsection (b) deleted "or State Certified Real Estate Appraiser" preceding "is guilty," deleted "any of the provisions of" following "violation of," and deleted "or certification"; and made nonsubstantive changes.

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-14-.01 et seq., Real Estate Appraisers Board; Disciplinary Action.

LIBRARY REFERENCES

American Digest System:

Licenses  38.

Corpus Juris Secundum:

C.J.S. Architects § 10; Licenses §§ 48, 50-63.

§ 34-27A-23. Uniform Standards of Professional Appraisal Practice. [Historical Notes](#) [References](#)

A licensed real estate appraiser shall comply with the current Uniform Standards of Professional Appraisal Practice approved by the board.

(Acts 1990, No. 90-639, p. 1175, § 23; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, substituted "shall" for "or state certified real estate appraiser must."

REFERENCES

ADMINISTRATIVE CODE

19 Ala. Admin. Code 780-X-13-.01, Real Estate Appraisers Board; Professional Conduct: Code of Ethics.

LIBRARY REFERENCES

American Digest System:

Licenses  25.

Corpus Juris Secundum:

C.J.S. Agriculture § 4.5; Licenses §§ 41, 45-46.

§ 34-27A-24. Retention of appraiser; appraisal assignment. [Historical Notes](#) [References](#)

(a) A client or employer may retain or employ a licensed real estate appraiser to act as a disinterested third party in rendering an unbiased estimate of value. In either case, the appraisal and the appraisal report shall comply with this chapter.

(b) For the purposes of this chapter, the term "appraisal assignment" means an engagement for which an appraiser is employed or retained to act, or would be perceived by the third parties or the public as acting, as a disinterested third party in rendering an appraisal.

(Acts 1990, No. 90-639, p. 1175, § 24; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in subsection (a) deleted "or a state certified real estate appraiser" following "appraiser," and deleted "the provisions of" preceding "this chapter"; and made nonsubstantive changes.

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  25.

Corpus Juris Secundum:

C.J.S. Licenses §§ 41, 45-46.

§ 34-27A-25. No fee for certain contingent appraisal assignments. [Historical Notes](#) [References](#)

A licensed real estate appraiser may not accept a fee for an appraisal assignment, as defined in Section 34-27A-24, that is contingent upon the appraiser reporting a predetermined estimate, analysis, or opinion, or is contingent upon the opinion or valuation reached, or upon the consequences resulting from the appraisal assignment.

(Acts 1990, No. 90-639, p. 1175, § 25; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY


Amendment notes:

The 1994 amendment, effective February 25, 1994, deleted "or a state certified real estate appraiser" following "appraiser" and made nonsubstantive changes.

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  25.

Corpus Juris Secundum:

C.J.S. Licenses §§ 41, 45-46.

§ 34-27A-26. Retention of contracts and records. [Historical Notes](#) [References](#)

(a) All real property appraisers shall prepare written records of appraisal, review, and consulting assignments, including oral testimony and reports, and shall retain the records for a period of five years after preparation or at least two years after final disposition of any judicial proceeding in which testimony was given, whichever period expires last. The written records of an assignment are the workfile.

(b) All records required to be maintained under this chapter shall be made available by the real property appraiser for inspection and copying by the board on reasonable notice to the appraiser.

(Acts 1990, No. 90-639, p. 1175, § 26; Acts 1994, No. 94-117, p. 128, § 1; Act 2004-525, p. 1093, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, deleted "or a state certified real estate appraiser" following "appraiser" in the first sentence of subsection (a) and in subsection (b); in subsection (a) substituted "five" for "three" throughout the section; deleted "the provisions of" in subsection (b); and made nonsubstantive changes.

The 2004 amendment, effective August 1, 2004, rewrote section (a); and in section (b) substituted "real property" for "licensed real estate".

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  25.

Corpus Juris Secundum:

C.J.S. Licenses §§ 41, 45-46.

§ 34-27A-27. Alabama Real Estate Appraisers Board Fund. [Historical Notes](#) [References](#)

There is established a separate special revenue trust fund in the State Treasury to be known as the Alabama Real Estate Appraisers Board Fund. All receipts collected by the board under this chapter and any interest earned on funds in the fund shall be deposited in this fund and used only to carry out this chapter. The receipts shall be disbursed only by warrant of the state Comptroller upon the State Treasurer, upon itemized vouchers approved by the executive director of the board. No funds shall be withdrawn or expended except as budgeted and allotted according to Sections 41-4-80 through 41-4-96 and 41-19-1 through 41-19-12, inclusive, and only in amounts as stipulated in the general appropriations bill or other appropriate bills.

(Acts 1990, No. 90-639, p. 1175, § 27; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in the second sentence twice deleted "the provisions of" preceding "this chapter"; substituted "and any interest earned on funds in the fund shall" for "are to"; substituted "executive director" for "chairman," substituted "No" for "provided that no"; in the fourth sentence deleted "the provisions of" following "according to," and inserted "inclusive"; and made nonsubstantive changes.

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  33.

Corpus Juris Secundum:

C.J.S. Licenses § 71.

§ 34-27A-28. Sunset provision.

to Sections 41-20-1 through 41-20-16, and shall be reviewed at the same time as the Alabama Real Estate Commission.

(Acts 1990, No. 90-639, p. 1175, § 30.)

§ 34-27A-29. Compliance with federal law; membership in organization not to be grounds for granting or denying license. [Historical Notes](#) [References](#)

It is the intent of the Legislature of the State of Alabama that this chapter fully comply with the provisions of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub.L. No. 101-73, any amendments thereto and regulations issued thereunder, and the board shall adopt administrative rules and regulations accordingly. The board shall not grant or deny a license for any classification of real estate appraiser by virtue of membership in or lack of membership in any particular appraisal organization.

(Acts 1990, No. 90-639, p. 1175, § 31; Acts 1994, No. 94-117, p. 128, § 1.)

HISTORICAL NOTES

HISTORY

Amendment notes:

The 1994 amendment, effective February 25, 1994, in the first sentence, substituted "this chapter" for "this act," deleted "Federal" preceding "Financial," and added "and the board shall adopt administrative rules and regulations accordingly"; in the second sentence deleted "Alabama real estate appraisers" preceding "board," and substituted "for any classification of real estate appraiser" for "as a "licensed real estate appraiser' or a "state certified real estate appraiser' "; and made nonsubstantive changes.

REFERENCES

LIBRARY REFERENCES

American Digest System:

Licenses  20.

Corpus Juris Secundum:

C.J.S. Architects §§ 4, 7; Licenses §§ 39-41.

Board Members



ALABAMA REAL ESTATE APPRAISERS BOARD

P. O. Box 304355

Montgomery, Alabama 36130-4355

Bob Riley
Governor

ALABAMA REAL ESTATE APPRAISERS BOARD

Lisa Brooks
Executive Director

STATE AT LARGE	POSITION	PHONE #	CONFIRMATION	APPOINTMENT DATE	EXPIRATION
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Myra Pruitt 7601 Deer Ridge Court Montgomery, AL 36117	Member At Large (M) FAX	(334) 277-2411 (334) 271-8910	06/10/03	04/17/03 (Gov. Riley)	04/16/06
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STATE AT LARGE

Leston Stallworth 3942 County Road 42 Peterman, AL 36471	Member at Large (M) FAX	(251) 575-5438 (251) 575-1943	06/10/03 Unconfirmed	04/17/03 (Gov. Riley) Reappointed 05/04/05 (Gov. Riley)	05/04/05 05/04/08
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1st. DISTRICT

James E Davis 4509 Park Road Mobile, AL 36605	Chairman FAX	(251) 344-3020 (251) 344-3503	06/10/03	07/05/03 (Gov. Riley)	07/04/06
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2nd. DISTRICT

Jon B. Blissitte 1274 Mims Road Hope Hull, AL 36043	Vice-Chairman FAX	(334) 262-1672 (334) 262-1674	06/10/03	05/05/03 (Gov. Riley)	05/04/06
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3rd. DISTRICT

Joseph Lambert 950 Highway 431 Roanoke, AL 36274	Member FAX	(334) 863-2161 (334) 863-2162	04/05/06	04/04/06 (Gov. Riley)	06/16/09
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4th. DISTRICT

T. Mandell Tillman 704 South Fourth Street Gadsden, AL 35901-5221	FAX	(256) 547-2042 (256) 547-5434	04/16/02 01/24/06	05/13/02 (Gov. Siegelman) Reappointed 05/13/05 (Gov. Riley)	05/12/05 05/12/08
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5th. DISTRICT

Thomas E. Garrett 2515-A S. Memorial Pkwy. Huntsville, AL 35801	Member FAX	(256) 534-5001 (256) 534-5114	02/24/05	05/18/04 (Gov. Riley)	05/04/07
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6th. DISTRICT

Clifford Odom 386 Vick Circle Trussville, AL 35173	Member FAX	(205) 655-4922 (205) 655-4972	06/10/03 01/24/06	04/17/03 (Gov. Riley) Reappointed 05/04/05 (Gov. Riley)	05/04/05 05/04/08
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7th. DISTRICT

Frederick C. Crochen 2212 Third Avenue N. Birmingham, AL 35203	(M) FAX	(205) 251-1745 (205) 254-0070	04/05/06	04/04/06 (Gov. Riley)	05/04/07
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EXECUTIVE DIRECTOR

Lisa C. Brooks
RSA Union Building
100 N. Union Street, Suite 370
Montgomery, AL 36104

(M) Minority
Board e-mail address: lisa.brooks@reab.alabama.gov
Board Website address: www.reab.state.al.us

Lisa C. Brooks
LISA C. BROOKS, EXECUTIVE DIRECTOR

100 N. Union Street Suite 370 Montgomery, AL 36104-3702 (334) 242-8747 FAX (334) 242-8749

AGENCY RESPONSE TO SIGNIFICANT ITEM

(received by e-mail)

From June 2005 until February 2007 we employed one investigator who was solely responsible for investigating complaints statewide. We have now filled one of the two vacant investigator positions giving our agency two active investigators, one located in the northern section of the state and the other located in the southern section. As stated in the Significant Finding our agency has had three Executive Directors since 2005. The Board now employs a full time Executive Director, hired in 2006.

At the time of the Appraisal Subcommittee's review our agency had 118 unresolved complaints with 44 of those complaints having been outstanding for more than one year. As of this date of those 44 outstanding complaints 24 have been resolved, hearings have been set or held on 5, Consent Settlement Orders have been issued on 6 and the remaining 9 cases have been investigated and moved to due process. Our agency currently has investigated all complaints over a year old.